
THIS COMPOSITE DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the Offer, this Composite Document and/or the accompanying Form of Acceptance or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in GC Construction Holdings Limited, you should at once hand this Composite Document and the accompanying Form of Acceptance to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Composite Document and the accompanying Form of Acceptance, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Composite Document and the accompanying Form of Acceptance.

This Composite Document should be read in conjunction with the accompanying Form of Acceptance, the contents of which form part of the terms and conditions of the Offer contained herein.

Jumbo Flags Capital Limited
(Incorporated in the BVI with limited liability)

GC Construction Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1489)

COMPOSITE DOCUMENT RELATING TO MANDATORY UNCONDITIONAL CASH OFFER BY QUAM SECURITIES LIMITED FOR AND ON BEHALF OF JUMBO FLAGS CAPITAL LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF GC CONSTRUCTION HOLDINGS LIMITED (OTHER THAN THOSE SHARES ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY JUMBO FLAGS CAPITAL LIMITED AND PARTIES ACTING IN CONCERT WITH IT)

Financial adviser to the Offeror



Offer agent to the Offeror



Independent Financial Adviser to the Independent Board Committee



Capitalised terms used in this cover page shall have the same meanings as those defined in this Composite Document unless the content requires otherwise.

A letter from Quam Securities containing, among other things, principal terms of the Offer is set out on pages 9 to 17 of this Composite Document. A letter from the Board is set out on pages 18 to 23 of this Composite Document. A letter from the Independent Board Committee containing its recommendation in respect of the Offer to the Independent Shareholders is set out on pages 24 to 25 of this Composite Document. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Offer is set out on pages 26 to 48 of this Composite Document.

The procedures for acceptance and other related information in respect of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance. Form of Acceptance should be received by the Registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong, as soon as possible and in any event no later than 4:00 p.m. on Friday, 28 November 2025 or such later time and/or date as the Offeror may determine and announce with the consent of the Executive and in accordance with the Takeovers Code.

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Composite Document and/or the accompanying Form of Acceptance to any jurisdiction outside Hong Kong should read the paragraphs headed "Overseas Shareholders" in the "Letter from Quam Securities" and "Overseas Shareholders" in Appendix I to this Composite Document before taking any action. It is the responsibility of each Overseas Shareholder wishing to accept the Offer to satisfy himself, herself or itself as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents or any registration or filing which may be required and the compliance with other necessary formalities or legal requirements and payment of any transfer or other taxes due by such Overseas Shareholder in respect of such jurisdiction. Each Overseas Shareholder is advised to seek professional advice on deciding whether to accept the Offer.

This Composite Document will remain on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (www.chankiu.hk) as long as the Offer remains open.

7 November 2025

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EXPECTED TIMETABLE

The expected timetable set out below is indicative only and is subject to change. Any changes to the timetable will be jointly announced by the Offeror and the Company.

Despatch date of this Composite Document and the accompanying Form of Acceptance and commencement date of the Offer (<i>Note 1</i>)	Friday, 7 November 2025
Offer open for acceptance (<i>Note 1</i>)	Friday, 7 November 2025
Latest time and date for acceptance of the Offer (<i>Notes 2, 3 and 5</i>).	by 4:00 p.m. on Friday, 28 November 2025
Closing Date (<i>Notes 3 and 5</i>).	Friday, 28 November 2025
Announcement of the results of the Offer (or its extension or revision, if any) as at the Closing Date, to be posted on the website of the Stock Exchange (<i>Notes 3 and 5</i>).	by 7:00 p.m. on Friday, 28 November 2025
Latest date for posting of remittances for the amount due in respect of valid acceptances received under the Offer at or before 4:00 p.m. on the Closing Date (<i>Notes 4 and 5</i>)	Tuesday, 9 December 2025

Notes:

1. The Offer, which is unconditional in all respects, is open for acceptance on and from Friday, 7 November 2025, being the date of posting of this Composite Document, and is capable of acceptance on and from that date until 4:00 p.m. on the Closing Date, unless the Offeror revise or extend the Offer in accordance with the Takeovers Code. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances set out in the paragraph headed “4. Right of Withdrawal” in Appendix I to this Composite Document.
2. Beneficial owners of the Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (set out in Appendix I to this Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.
3. In accordance with the Takeovers Code, the Offer must initially be open for acceptance for at least twenty-one (21) days following the date on which this Composite Document is despatched. The Offer will initially remain open for acceptances until 4:00 p.m. on Friday, 28 November 2025 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. The Offeror has the right under the Takeovers Code to extend the Offer until such date as it may determine in accordance with the Takeovers Code (or as permitted by the Executive in accordance with the Takeovers Code). The Offeror and the Company will jointly issue an announcement in relation to any extension of the Offer, in which the announcement will state either the next Closing Date or, a statement that the Offer will remain open until further notice. In the latter case, at least fourteen (14) days’ notice in writing must be given before the Offer is closed to those Independent Shareholders who have not accepted the Offer.
4. Remittances in respect of the cash consideration (after deducting the seller’s ad valorem stamp duty) payable for the Offer Shares tendered under the Offer will be despatched to Independent Shareholders accepting the Offer (to the address specified on the Form of Acceptance) by ordinary post at their own risk as soon as possible, but in any event no later than seven (7) Business Days following the date of receipt by the Registrar of all relevant documents to render the acceptance under the Offer complete and valid, in accordance with the Takeovers Code.

EXPECTED TIMETABLE

5. If there is a tropical cyclone warning signal no. 8 or above, or “Extreme Conditions” or a “black rainstorm warning signal” as issued by the Hong Kong Observatory and/or the Government of Hong Kong (collectively, “**severe weather conditions**”) on any of the following deadlines (“**Key Deadlines**”): (i) the Closing Date and the latest time for acceptance of the Offer and the submission and publication deadline for a closing announcement under Rule 19.1 of the Takeovers Code; and (ii) the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances,
- (a) in case any severe weather condition is in force in Hong Kong at any local time before 12:00 noon but no longer in force at 12:00 noon and/or thereafter on any Key Deadline, such Key Deadline will remain on the same Business Day; or
 - (b) in case any severe weather condition is in force in Hong Kong at any local time at 12:00 noon and/or thereafter on any Key Deadline, such Key Deadline will be rescheduled to the following Business Day which does not have any of those warnings or conditions in force in Hong Kong at any time at 12:00 noon and/or thereafter or such other day as the Executive may approve in accordance with the Takeovers Code.

Save as mentioned above, if the latest time for acceptance of the Offer does not take place on the abovementioned date and time due to any reasons as mentioned in Notes 3 and 5 above, the other dates mentioned above may be affected. The Offeror and the Company will notify the Independent Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

Unless otherwise expressly stated, all time and date references contained in this Composite Document and the accompanying Form of Acceptance refer to Hong Kong time and dates.

IMPORTANT NOTICE

NOTICE TO THE OVERSEAS SHAREHOLDERS

The making of the Offer to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or affected by the laws of the relevant jurisdictions. Overseas Shareholders who are citizens or residents or nationals of jurisdictions outside Hong Kong should inform themselves about and observe any applicable legal and regulatory requirements.

It is the responsibility of any such person who wishes to accept the Offer to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required or the compliance with other necessary formalities or legal and regulatory requirements and the payment of any transfer or other taxes or other required payments due from such accepting Overseas Shareholders in respect of such jurisdiction.

The Offeror, Mr. Gan and the parties acting in concert with any of them, the Company, Quam Securities, Aurelius Corporate, Merdeka, the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by such person for any taxes as such person may be required to pay. Please see the paragraph headed “Overseas Shareholders” in the “Letter from Quam Securities” and “Overseas Shareholders” in Appendix I to this Composite Document for details.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Composite Document contains forward-looking statements, which may be identified by words such as “believe”, “expect”, “anticipate”, “intend”, “plan”, “seek”, “estimate”, “will”, “would” or words of similar meaning, that involve risks and uncertainties, as well as assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The forward-looking statements included herein are made only as at the Latest Practicable Date. The Offeror and the Company assume no obligation to correct or update the forward-looking statements or opinions contained in this Composite Document, except as required pursuant to applicable laws or regulations, including but not limited to the Listing Rules and/or the Takeovers Code.

DEFINITIONS

In this Composite Document, unless otherwise defined or the context otherwise requires, the following expressions have the following meanings:

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Aurelius Corporate”	Aurelius Corporate Finance Limited (旭倫企業融資有限公司), a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, the financial adviser to the Offeror in relation to the Offer
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business
“BVI”	the British Virgin Islands
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Closing Date”	Friday, 28 November 2025, being the closing date of the Offer, which is no less than twenty-one (21) days following the date on which this Composite Document is despatched, or if the Offer is extended, any subsequent closing date as the Offeror may determine and announce with the consent of the Executive and in accordance with the Takeovers Code
“Company”	GC Construction Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 01489)
“Completion”	completion of the sale and purchase of the Sale Shares pursuant to the Sale and Purchase Agreement
“Completion Date”	the date on which Completion took place, being 23 September 2025
“Composite Document”	this composite offer and response document dated 7 November 2025 and jointly issued by the Offeror and the Company to the Shareholders in connection with the Offer in accordance with the Takeovers Code containing, among other things, details of the Offer (accompanied by the Form of Acceptance) and the respective letters of advice from the Independent Board Committee and the Independent Financial Adviser

DEFINITIONS

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the amount of HK\$122,455,200, being consideration payable by the Offeror to the Vendor for the purchase of the Sale Shares under the Sale and Purchase Agreement
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Executive”	has the meaning ascribed to it under the Takeovers Code
“Form of Acceptance”	the form of acceptance and transfer of the Offer Shares in respect of the Offer accompanying this Composite Document
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Nominees Limited”	Hong Kong Securities Clearing Company (Nominees) Limited, a wholly-owned subsidiary of HKSCC
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors, namely Dr. Huang Hong, Mr. Yu Chi Wing, Dr. Lo Ki Chiu and Dr. Luk Che Chung, which has been established by the Company to make a recommendation, after taking into account the advice from the Independent Financial Adviser, to the Independent Shareholders in relation to the Offer and as to the acceptance of it
“Independent Financial Adviser” or “Merdeka”	Merdeka Corporate Finance Limited, a corporation licensed under the SFO to carry out Type 6 (advising on corporate finance) regulated activity, being the independent financial adviser appointed for the purpose of advising the Independent Board Committee in relation to the Offer and as to acceptance of it
“Independent Shareholder(s)”	Shareholders other than the Offeror and parties acting in concert with it

DEFINITIONS

“Joint Announcement”	the announcement dated 30 September 2025 jointly issued by the Offeror and the Company in relation to, among others, the Sale and Purchase Agreement and the Offer
“Last Trading Day”	22 September 2025, being the last trading day of the Shares immediately prior to the release of the Joint Announcement
“Latest Practicable Date”	Tuesday, 4 November 2025, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Gan”	Mr. Gan Kok En, the sole director and the sole ultimate beneficial owner of the Offeror as at the Latest Practicable Date
“Mr. KS Chan”	Mr. Chan Kiu Sum, the chairman of the Board, the chief executive officer of the Company, an executive Director, and a shareholder holding 80% interest in the Vendor as at the Latest Practicable Date
“Mr. WP Chan”	Mr. Chan Wing Ping, an executive Director, and a shareholder holding 20% interest in the Vendor as at the Latest Practicable Date
“Offer”	the mandatory unconditional cash offer made by Quam Securities for and on behalf of the Offeror to acquire all the issued Shares of GC Construction Holdings Limited (other than those Shares already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it) in accordance with the Takeovers Code
“Offeror”	Jumbo Flags Capital Limited, a company incorporated in the BVI with limited liability, which is wholly and beneficially owned by Mr. Gan
“Offer Period”	has the meaning ascribed to it under the Takeovers Code which commenced since 30 September 2025, being the date of the Joint Announcement, and ending on the Closing Date or such other time and/or date to which the Offeror may decide to extend or revise the Offer with the consent of the Executive
“Offer Price”	the cash amount of HK\$0.1812 payable by the Offeror for each Offer Share
“Offer Share(s)”	all the issued Shares other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it

DEFINITIONS

“Overseas Shareholder(s)”	Independent Shareholder(s) whose address(es), as shown on the register of members of the Company, is/are outside Hong Kong
“Promissory Note”	has the meaning given to this term in the section headed “The Sale and Purchase Agreement and the Offer” in “Letter from Quam Securities” in this Composite Document
“Quam Securities”	Quam Securities Limited (華富建業證券有限公司), a licensed corporation to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the offer agent making the Offer on behalf of the Offeror
“Registrar”	Boardroom Share Registrars (HK) Limited, the branch share registrar and transfer office of the Company in Hong Kong, located at 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong
“Remaining Consideration”	has the meaning given to this term in the section headed “The Sale and Purchase Agreement and the Offer” in “Letter from Quam Securities” in this Composite Document
“Relevant Period”	the period commencing from 30 March 2025, being the date falling six months immediately preceding the commencement of the Offer Period, up to and including the Latest Practicable Date
“Sale and Purchase Agreement”	the sale and purchase agreement dated 22 September 2025 and entered into between the Vendor and the Offeror in relation to the sale and purchase of the Sale Shares
“Sale Share(s)”	the 728,880,000 Shares acquired by the Offeror from the Vendor pursuant to the terms and conditions of the Sale and Purchase Agreement, representing approximately 72.89% of the total issued share capital of the Company as at the Latest Practicable Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	share(s) of nominal value of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Vendor”	Evolve Billion Limited, a company incorporated in BVI with limited liability and is owned as to 80% by Mr. KS Chan and 20% by Mr. WP Chan
%	per cent.

LETTER FROM QUAM SECURITIES



7 November 2025

To the Independent Shareholders:

Dear Sir/Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
QUAM SECURITIES LIMITED FOR AND ON BEHALF OF
JUMBO FLAGS CAPITAL LIMITED TO ACQUIRE ALL THE
ISSUED SHARES OF GC CONSTRUCTION HOLDINGS LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED AND/OR AGREED
TO BE ACQUIRED BY JUMBO FLAGS CAPITAL LIMITED AND
PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

Reference is made to the Joint Announcement.

The Sale and Purchase Agreement and the Offer

As disclosed in the Joint Announcement, on 22 September 2025 (after trading hours), the Vendor and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell and the Offeror agreed to purchase the Sale Shares, being 728,880,000 Shares, representing approximately 72.89% of the total issued share capital of the Company as at the Latest Practicable Date, free from all encumbrances, for a total cash Consideration of HK\$122,455,200, equivalent to approximately HK\$0.1680 per Sale Share.

Completion took place on the Completion Date, being 23 September 2025. Pursuant to the Sale and Purchase Agreement, the Consideration was settled in the following manner:

- (a) a sum of HK\$62,455,200, being part payment of the Consideration, was satisfied by the Offeror in cash at Completion; and
- (b) the remaining balance of the Consideration in the amount of HK\$60,000,000 (the “**Remaining Balance**”) was settled upon Completion by the delivery of the promissory note issued by the Offeror in favour of the Vendor in the principal amount of the Remaining Balance (the “**Promissory Note**”). Under the Promissory Note, the Offeror shall repay the outstanding Remaining Consideration on the date falling twenty-four (24) months after the date of the Promissory Note (i.e. two (2) years after the Completion Date). The Promissory Note carries interest at the rate of 8% per annum.

LETTER FROM QUAM SECURITIES

The total consideration for the Sale Shares is HK\$132,055,200, after taking into the consideration of the interest accruing on the Remaining Consideration for a period of two years after the Completion Date. As the Vendor agreed to receive deferred payment by agreeing to the full settlement of the Consideration subsequent to Completion as abovementioned, the Vendor is treated as providing financing or financial assistance to the Offeror and is therefore presumed to be acting in concert with the Offeror under Class (9) of the definition of “acting in concert” under the Takeovers Code.

Immediately prior to Completion, none of the Offeror, Mr. Gan, nor any parties acting in concert with any of them (save for the Vendor) owned, controlled or had direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately after Completion and as at the Latest Practicable Date, the Offeror, Mr. Gan and parties acting in concert with any of them are interested in an aggregate of 728,880,000 Shares, representing approximately 72.89% of the total issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is therefore required to make a mandatory unconditional cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it). The Offer will be made to the Independent Shareholders.

Purpose of this letter

This letter forms part of this Composite Document and sets out, among other things, principal terms of the Offer, together with the information on the Offeror and the intention of the Offeror in relation to the Group. Further details of the terms and the procedures of acceptance of the Offer are also set out in Appendix I to this Composite Document and the accompanying Form of Acceptance. Your attention is also drawn to the “Letter from the Board”, the “Letter from the Independent Board Committee” to the Independent Shareholders and the “Letter from the Independent Financial Adviser” to the Independent Board Committee as contained in this Composite Document.

THE OFFER

Principal terms of the Offer

Quam Securities, for and on behalf of the Offeror, is making the Offer to acquire all of the Offer Shares in accordance with the Takeovers Code and on the terms set out in this Composite Document and in the Form of Acceptance on the following basis:

Offer Price for each Offer Share HK\$0.1812 in cash

The Offer Price of HK\$0.1812 per Offer Share is equivalent to the Consideration payable by the Offeror (i.e. HK\$122,455,200) together with the interest accruing on the Remaining Consideration for a period of two years after the Completion Date (i.e. $\text{HK\$60,000,000} \times 8\% \times 2 = \text{HK\$9,600,000}$), divided by the number of the Sale Shares (i.e. 728,880,000 Shares).

LETTER FROM QUAM SECURITIES

The Offer is unconditional in all respects and will not be conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions. The Offer is extended to all Shares in issue other than those Shares held by the Offeror and parties acting in concert with it.

As at the Latest Practicable Date, 1,000,000,000 Shares were in issue and the Company does not have any outstanding options, derivatives, warrants or other securities (as defined in Note 4 to Rule 22 of the Takeovers Code) which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or other relevant securities which are convertible or exchangeable into Shares.

The Company confirms that, as at the Latest Practicable Date, it has not declared any dividend which is not yet paid and it does not have any intention to declare or pay any future dividend or make other distributions prior to and including the date of closing of the Offer.

The procedures for acceptance and further details of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

Offer Price

The Offer Price of HK\$0.1812 per Offer Share represents:

- (i) a discount of approximately 61.45% to the closing price of HK\$0.4700 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 45.91% to the closing price of HK\$0.3350 per Share as quoted on the Stock Exchange on 22 September 2025, being the Last Trading Day;
- (iii) a discount of approximately 51.55% to the average closing price of HK\$0.3740 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a discount of approximately 54.93% to the average closing price of HK\$0.4020 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 54.90% to the average closing price of approximately HK\$0.4018 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day; and
- (vi) a discount of approximately 33.46% to the audited net asset value per Share of approximately HK\$0.2723 as at 31 March 2025, calculated based on the Group's audited consolidated net asset value attributable to the Shareholders as at 31 March 2025 of approximately HK\$272,348,000, divided by a total of 1,000,000,000 issued Shares as at the Latest Practicable Date.

LETTER FROM QUAM SECURITIES

Highest and lowest Share prices

The highest closing price of the Shares quoted on the Stock Exchange during the Relevant Period was HK\$0.750 on 3 October 2025.

The lowest closing price of the Shares quoted on the Stock Exchange during the Relevant Period was HK\$0.300 on 11 July 2025.

Total value of the Offer

As at the Latest Practicable Date, the Company has 1,000,000,000 Shares in issue. On the basis of the Offer Price of HK\$ \$0.1812 per Offer Share, the total issued share capital of the Company is valued at HK\$181,200,000. The Offer is made to the Independent Shareholders.

Assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date and up to the close of the Offer, and excluding the 728,880,000 Shares held by the Offeror and parties acting in concert with it immediately after Completion, the number of Shares subject to the Offer is 271,120,000. Based on the Offer Price of HK\$0.1812 per Offer Share, the total consideration of the Offer would be HK\$49,126,944 in the event that the Offer is accepted in full.

The Offer Shares to be acquired under the Offer shall be fully paid and free from all encumbrances and together with all rights and benefits attached thereto as at the date of this Composite Document or subsequently becoming attached to them, including but not limited to the right to receive in full all dividends, distributions and any return of capital, if any, which may be made or declared or agreed to be made or declared, and the record date of which falls on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

Financial resources available for the Offer

The maximum amount of cash payable by the Offeror in respect of the consideration payable upon full acceptance of the Offer is HK\$49,126,944, assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date up to the close of the Offer.

The Offeror intends to finance the consideration payable under the Offer in full by its own internal resources. Aurelius Corporate, the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are available to the Offeror to satisfy the consideration payable upon full acceptance of the Offer.

Effect of accepting the Offer

The Offer is unconditional in all respects and will not be conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

LETTER FROM QUAM SECURITIES

By accepting the Offer, the Independent Shareholders will be deemed to warrant that all the Offer Shares to be sold by such person under the Offer are fully paid and free from all encumbrances and together with all rights and benefits attaching thereto as at the date of this Composite Document or subsequently becoming attached to them, including but not limited to the right to receive in full all dividends, distributions and any return of capital, if any, which may be made or declared or agreed to be made or declared, and the record date of which falls on or after the date on which the Offer is made, being the date of despatch of this Composite Document.

Acceptance of the Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Independent Shareholders are reminded to read the recommendations of the Independent Board Committee and the advice of the Independent Financial Adviser in respect of the Offer which are included in the “Letter from the Independent Board Committee” and the “Letter from the Independent Financial Adviser” as contained in this Composite Document.

Payment

Payment in cash in respect of acceptances of the Offer, net of seller's Hong Kong ad valorem stamp duty, will be made as soon as possible but in any event no later than seven (7) Business Days after the date of receipt of a duly completed and valid acceptance of the Offer. Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the Offer complete and valid.

No fractions of a cent will be payable and the amount of cash consideration payable to a Shareholder who accepts the Offer will be rounded up to the nearest cent.

Hong Kong Stamp duty

The seller's Hong Kong ad valorem stamp duty arising in connection with acceptances of the Offer will be payable by the relevant Independent Shareholders at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, and the amount of such duty will be deducted from the cash amount payable by the Offeror to the relevant Independent Shareholders accepting the Offer.

The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the relevant Independent Shareholders accepting the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

LETTER FROM QUAM SECURITIES

Taxation advice

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, Mr. Gan and parties acting in concert with any of them, the Company, Quam Securities, Aurelius Corporate, Merdeka, the Registrar and (as the case may be) their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

Overseas Shareholders

The Offer is made to all Independent Shareholders, including the Overseas Shareholders (if any). The making and the implementation of the Offer to persons with a registered address in jurisdictions outside Hong Kong may be subject to the laws or regulations of the relevant jurisdictions. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable requirements and restrictions in their own jurisdictions, and where necessary, seek independent legal advice in respect of the Offer. It is the responsibility of Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the applicable laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes payable by the accepting Overseas Shareholders in respect of such jurisdictions).

Any acceptance of the Offer by any Independent Shareholders will be deemed to constitute a representation and warranty from such Independent Shareholders to the Offeror that the local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt.

As at the Latest Practicable Date, there are no Overseas Shareholders of the Company identified.

INFORMATION ON THE GROUP

Your attention is also drawn to the information on the Group set out in the section headed “Information on the Group” in the “Letter from the Board” and Appendices II and IV as contained in this Composite Document.

LETTER FROM QUAM SECURITIES

INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in the BVI with limited liability and is principally engaged in investment holding. The Offeror is wholly and beneficially owned by Mr. Gan as at the Latest Practicable Date.

Mr. Gan, aged 51, is a seasoned corporate executive with extensive experience in corporate leadership, specialising in the areas of business consultancy and investment. He is the chairman of the board of directors of GM Vision Investment Co., Limited, a Cambodia-based company principally engaged in land investment and providing consultancy services related to investments in Cambodia.

Mr. Gan has around 8 years' experience in land investment in Cambodia. With such experience in land investment and track record of operating businesses in Cambodia, Mr. Gan has provided consultancy service for setting up of company, licensing and taxation, etc. for companies who has participated and/or would like to participate in the Cambodian market since 2022. As a chairman of the board of directors of GM Vision Investment Co., Limited, Mr. Gan also possesses managerial acumen, overseeing company operations and formulating strategic business initiatives.

As the Group undertakes construction project in Cambodia, Mr. Gan's profound knowledge, business expertise and established network in land investment and consultancy services in Cambodia are expected to provide valuable complementary expertise, resources and customer networks to enhance the Group's existing operations in Cambodia.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

Following the close of the Offer, the Offeror intends that the Group will continue the principal business of the Group and will maintain the listing status of the Company. The Offeror will conduct a review of the business activities and assets of the Group for the purpose of formulating business plans and strategies for the future business development of the Group. As at the Latest Practicable Date, the Offeror has no intention, understanding, negotiation or arrangement to downsize, cease or dispose of any of the existing businesses of the Group.

Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. As at the Latest Practicable Date, no investment or business opportunity has been identified nor have the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

As at the Latest Practicable Date, the Board is comprised of three executive Directors and four independent non-executive Directors. The Offeror intends to continue the employment of the existing management and employees of the Group (except for a proposed change to the members of the Board at a time no earlier than that permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate).

LETTER FROM QUAM SECURITIES

The Offeror intends to nominate new director(s) to the Board with effect from a date which is no earlier than such date as permitted under the Listing Rules and the Takeovers Code or such later date as the Offeror considers to be appropriate. As at the Latest Practicable Date, the Offeror has not identified any potential candidates to nominate as new director(s) to the Board. Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the Listing Rules and further announcement(s) will be made as and when appropriate.

Save for the Offeror's intention regarding the Group as set out above, the Offeror has no intention to (i) make material changes to the employment of the management and employees of the Group; and (ii) dispose of or redeploy the assets of the Group other than those in its ordinary and usual course of business.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury shares), are held by the public, or if the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Shares; or
- there are insufficient Shares in public hands to maintain an orderly market;

it will consider exercising its discretion to suspend dealings in the Shares.

The Offeror intends the Company to remain listed on the Stock Exchange. The sole director of the Offeror and the new directors to be appointed to the Board (if any) will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer.

ACCEPTANCE AND SETTLEMENT OF THE OFFER

Your attention is drawn to the details regarding the procedures for acceptance and settlement of the Offer as set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

GENERAL

This Composite Document has been prepared for the purposes of complying with the laws of Hong Kong, the Takeovers Code and the Listing Rules and the information disclosed may not be the same as that which would have been disclosed if this Composite Document had been prepared in accordance with the laws of jurisdictions outside Hong Kong.

LETTER FROM QUAM SECURITIES

All documents and remittances to be sent to the Independent Shareholders will be sent to them by ordinary post at their own risk. Such documents and remittances will be sent to them at their respective addresses as they appear in the register of members of the Company and in case of joint holders, to the Independent Shareholder whose name appears first in the said register of members. None of the Offeror, Mr. Gan and parties acting in concert with any of them, the Company, Aurelius Corporate, Quam Securities, Merdeka, the Registrar nor their respective ultimate beneficial owners, directors, officers, advisers, agents or associates, as applicable, or any other person involved in the Offer will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information regarding the Offer set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. You are reminded to read carefully the “Letter from the Board”, the “Letter from the Independent Board Committee” and the letter of advice by the Independent Financial Adviser to the Independent Board Committee in respect of the Offer as set out in the “Letter from the Independent Financial Adviser” as contained in this Composite Document in relation to their recommendations and/or advice regarding the Offer. If you are in doubt about your position in connection with the Offer, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

Yours faithfully,
For and on behalf of
Quam Securities Limited
Mr. Chiu Chun Kit, Calvin
Responsible Officer

LETTER FROM THE BOARD

GC Construction Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1489)

Executive Directors:

Mr. Chan Kiu Sum (*Chairman & Chief Executive Officer*)

Mr. Chan Wing Ping

Ms. Chan Chui Ying

Independent non-executive Directors:

Dr. Huang Hong

Mr. Yu Chi Wing

Dr. Lo Ki Chiu

Dr. Luk Che Chung, *JP*

Registered office:

71 Fort Street

PO Box 500

George Town

Grand Cayman KY1-1106

Cayman Islands

*Headquarters and principal place of
business in Hong Kong:*

Unit 909, 9th Floor, Tower 1

Cheung Sha Wan Plaza

833 Cheung Sha Wan Road

Kowloon

Hong Kong

7 November 2025

To the Independent Shareholders,

Dear Sir/Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
QUAM SECURITIES LIMITED FOR AND ON BEHALF OF
JUMBO FLAGS CAPITAL LIMITED TO ACQUIRE ALL THE
ISSUED SHARES OF GC CONSTRUCTION HOLDINGS LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED AND/OR AGREED
TO BE ACQUIRED BY JUMBO FLAGS CAPITAL LIMITED AND
PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

Reference is made to the Joint Announcement.

As disclosed in the Joint Announcement, on 22 September 2025 (after trading hours), the Vendor and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Offeror agreed to purchase and the Vendor agreed to sell the Sale Shares, being 728,880,000 Shares, representing approximately 72.89% of the total issued share capital of the Company as at the Latest Practicable Date, free from all encumbrances, for a total cash Consideration of HK\$122,455,200, equivalent to approximately HK\$0.1680 per Sale Share.

LETTER FROM THE BOARD

Completion took place on the Completion Date, being 23 September 2025. Pursuant to the Sale and Purchase Agreement, the Consideration was settled in the following manner:

- (a) a sum of HK\$62,455,200, being part payment of the Consideration, was satisfied by the Offeror in cash at Completion; and
- (b) the Remaining Balance of the Consideration in the amount of HK\$60,000,000 was settled upon Completion by the delivery of the Promissory Note issued by the Offeror in favour of the Vendor in the principal amount of the Remaining Balance. Under the Promissory Note, the Offeror shall repay the outstanding Remaining Consideration on the date falling twenty-four (24) months after the date of the Promissory Note (i.e. two (2) years after the Completion Date). The Promissory Note carries interest at the rate of 8% per annum.

The total consideration for the Sale Shares is HK\$132,055,200, after taking into the consideration of the interest accruing on the Remaining Consideration for a period of two years after the Completion Date. As the Vendor agreed to receive deferred payment by agreeing to the full settlement of the Consideration subsequent to Completion as abovementioned, the Vendor is treated as providing financing or financial assistance to the Offeror and is therefore presumed to be acting in concert with the Offeror under Class (9) of the definition of “acting in concert” under the Takeovers Code.

Immediately prior to Completion, none of the Offeror, Mr. Gan, nor any parties acting in concert with any of them (save for the Vendor) owned, controlled or had direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately after Completion and as at the Latest Practicable Date, the Offeror, Mr. Gan and parties acting in concert with any of them are interested in an aggregate of 728,880,000 Shares, representing approximately 72.89% of the total issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is therefore required to make a mandatory unconditional cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it).

The purpose of this Composite Document (of which this letter forms part) is to provide you with, among other things: (i) the details of the Offer (including the expected timetable and the terms of the Offer); (ii) information relating to the Group, the Offeror, Mr. Gan and parties acting in concert with any of them, together with the Form of Acceptance; (iii) the letter from Quam Securities containing the details of the Offer; (iv) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Offer; and (v) a letter of advice from the Independent Financial Adviser to the Independent Board Committee on whether the Offer is fair and reasonable so far as the Independent Shareholders are concerned and on acceptance of the Offer.

Terms used in this letter shall have the same meanings as those defined in this Composite Document unless the context otherwise requires.

LETTER FROM THE BOARD

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Under Rule 2.1 and Rule 2.8 of the Takeovers Code, a board which receives an offer or which is approached with a view to an offer being made, must, in the interests of shareholders, establish an independent committee of the board to make a recommendation: (i) as to whether the offer is, or is not, fair and reasonable; and (ii) as to the acceptance.

The Independent Board Committee, which comprises all the independent non-executive Directors who have no direct or indirect interest in the Offer, namely Dr. Huang Hong, Mr. Yu Chi Wing, Dr. Lo Ki Chiu and Dr. Luk Che Chung, has been established for the purpose of making recommendations to the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer.

Merdeka has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

You are advised to read the “Letter from the Independent Board Committee” to the Independent Shareholders, the “Letter from the Independent Financial Adviser” and the additional information contained in the appendices to this Composite Document before taking any action in respect of the Offer.

THE OFFER

Quam Securities, for and on behalf of the Offeror, is making the Offer to acquire all of the Offer Shares on the terms in accordance with the Takeovers Code and on the terms set out in this Composite Document and in the Form of Acceptance on the following basis:

Offer Price for each Offer Share HK\$0.1812 in cash

The Offer Price of HK\$0.1812 per Offer Share is equivalent to the Consideration payable by the Offeror (i.e. HK\$122,455,200) together with the interest accruing on the Remaining Consideration for a period of two years after the Completion Date (i.e. $\text{HK\$}60,000,000 \times 8\% \times 2 = \text{HK\$}9,600,000$), divided by the number of the Sale Shares (i.e. 728,880,000 Shares).

The Offer is unconditional in all respects and will not be conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions. The Offer is extended to all Shares in issue other than those Shares held by the Offeror and parties acting in concert with it.

As at the Latest Practicable Date, 1,000,000,000 Shares were in issue and the Company does not have any outstanding options, derivatives, warrants or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares.

LETTER FROM THE BOARD

The Company confirms that, as at the Latest Practicable Date, it has not declared any dividend which is not yet paid and it does not have any intention to declare or pay any future dividend or make other distributions prior to and including the date of closing of the Offer.

Further details regarding the Offer, including the terms and procedures for acceptance of the Offer are set out in the “Letter from Quam Securities” and Appendix I to this Composite Document and the accompanying Form of Acceptance.

INFORMATION ON THE OFFEROR

Your attention is drawn to the section headed “Information on the Offeror” in the “Letter from Quam Securities” in this Composite Document for information on the Offeror.

INFORMATION ON THE GROUP

The Company was incorporated in the Cayman Islands with limited liability and its issued shares are listed on the Main Board of the Stock Exchange. The Company is principally engaged in investment holding. The Group is a wet trades contractor in Hong Kong and construction subcontractor in Cambodia. The wet trades works performed by the Group mainly included plastering, tile laying, brick laying, floor screeding and marble works.

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below are the shareholding structure of the Company (i) immediately prior to Completion; and (ii) immediately upon Completion and as at the Latest Practicable Date:

	Immediately prior to Completion		Immediately upon Completion and as at the Latest Practicable Date	
	<i>Number of Shares</i>	<i>Approximate % of issued Shares</i>	<i>Number of Shares</i>	<i>Approximate % of issued Shares</i>
Offeror and parties acting in concert with it				
– the Offeror (<i>Note 1</i>)	–	–	728,880,000	72.89
– the Vendor (<i>Notes 2, 3</i>)	728,880,000	72.89	–	–
Independent Shareholders	271,120,000	27.11	271,120,000	27.11
Total	1,000,000,000	100.00	1,000,000,000	100.00

Notes:

1. The Offeror is wholly and ultimately owned by Mr. Gan. As such, Mr. Gan is deemed or taken to be interested in the 728,880,000 Shares held by the Offeror by virtue of the SFO.

LETTER FROM THE BOARD

2. As the Vendor agreed to receive deferred payment by agreement to the full settlement of the Consideration subsequent to Completion, the Vendor is treated as providing financing or financial assistance to the Offeror and is therefore presumed to be acting in concert with the Offeror under Class (9) of the definition of “acting in concert” under the Takeovers Code.
3. As at the Latest Practicable Date, the Vendor is beneficially owned as to 80% by Mr. KS Chan and 20% by Mr. WP Chan. On 5 November 2020, Mr. KS Chan and Mr. WP Chan entered into an acting in concert confirmation to acknowledge and confirm, among other things, that they are parties acting in concert within the meaning of the Takeovers Code. By virtue of the SFO, Mr. KS Chan and Mr. WP Chan are deemed to be interested in the 728,880,000 Shares held by the Vendor immediately prior to Completion.

Your attention is drawn to Appendices II and IV to this Composite Document which contain financial and the general information of the Group respectively.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

Your attention is drawn to the section headed “Intention of the Offeror in relation to the Group” in the “Letter from Quam Securities” contained in this Composite Document for details regarding Offeror’s intention on the business of the Group.

In particular, as stated in the “Letter from Quam Securities”, the Offeror intends to continue the principal business of the Group and will maintain the listing status of the Company following the close of the Offer. The Offeror also intends to review the business activities and assets of the Group to formulate business plans and strategies for the future business development of the Group. Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. As at the Latest Practicable Date, no investment or business opportunity has been identified nor have the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

As at the Latest Practicable Date, the Board is comprised of three executive Directors and four independent non-executive Directors. The Offeror intends to continue the employment of the existing management and employees of the Group (except for a proposed change to the members of the Board at a time no earlier than that permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate).

The Offeror intends to nominate new director(s) to the Board with effect from a date which is no earlier than such date as permitted under the Listing Rules and the Takeovers Code or such later date as the Offeror considers to be appropriate. Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the Listing Rules and further announcement(s) will be made as and when appropriate.

As stated in the “Letter from Quam Securities” contained in this Composite Document, save for the Offeror’s intention regarding the Group as set out therein, the Offeror has no intention to (i) make material changes to the employment of the management and employees of the Group; and (ii) dispose of or redeploy the assets of the Group other than those in its ordinary and usual course of business.

LETTER FROM THE BOARD

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury shares), are held by the public, or if the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Shares; or
- there are insufficient Shares in public hands to maintain an orderly market;

it will consider exercising its discretion to suspend dealings in the Shares.

As stated in the “Letter from Quam Securities” contained in this Composite Document, the Offeror intends the Company to remain listed on the Stock Exchange. The sole director of the Offeror and the new directors to be appointed to the Board (if any) will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer.

RECOMMENDATION

Your attention is drawn to (i) the “Letter from the Independent Board Committee” as set out on pages 24 to 25 of this Composite Document, which contains its recommendation to the Independent Shareholders as to whether the Offer is, or is not, fair and reasonable and as to their acceptance of the Offer; and (ii) the “Letter from the Independent Financial Adviser” as set out on pages 26 to 48 of this Composite Document which contains its advice to the Independent Board Committee in relation to the Offer and the principal factors considered by it in arriving at its advice.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information contained in the appendices to this Composite Document. Further details on the terms and the procedures for acceptance of the Offer are set out in Appendix I “Further Terms and Procedures for Acceptance of the Offer” to this Composite Document and the accompanying Form of Acceptance.

In considering what action to take in connection with the Offer, you should also consider your own tax positions, if any, and in case of any doubt, consult your professional advisers.

By order of the Board of
GC Construction Holdings Limited
Chan Kiu Sum
Chairman, Chief Executive Officer and Executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Offer prepared for the purpose of inclusion in this Composite Document.

GC Construction Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1489)

7 November 2025

To the Independent Shareholders,

Dear Sir/Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
QUAM SECURITIES LIMITED FOR AND ON BEHALF OF
JUMBO FLAGS CAPITAL LIMITED TO ACQUIRE ALL THE
ISSUED SHARES OF GC CONSTRUCTION HOLDINGS LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED AND/OR AGREED
TO BE ACQUIRED BY JUMBO FLAGS CAPITAL LIMITED AND
PARTIES ACTING IN CONCERT WITH IT)**

We refer to the composite offer and response document (the “**Composite Document**”) jointly issued by the Company and the Offeror dated 7 November 2025, of which this letter forms part. Unless the context otherwise requires, terms used in this letter shall have the same meanings as those defined in the Composite Document.

We have been appointed by the Board to form the Independent Board Committee to consider the terms of the Offer and to advise the Independent Shareholders as to, in our opinion, whether or not the Offer is fair and reasonable and to make recommendation in respect of acceptance of the Offer.

Merdeka has been appointed as the Independent Financial Adviser with our approval to advise us in respect of the Offer and, in particular, whether the Offer is fair and reasonable and to make recommendation in respect of the acceptance of the Offer. Details of its advice and recommendations, together with the principal factors and reasons which it has considered before arriving at such recommendation, are set out in the “Letter from the Independent Financial Adviser” in this Composite Document.

We also wish to draw your attention to the “Letter from Quam Securities”, the “Letter from the Board” and the additional information set out in the appendices to this Composite Document and the accompanying Form of Acceptance in respect of the terms of the Offer and the acceptance and settlement procedures for the Offer.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

RECOMMENDATION

Having considered the terms of the Offer and the letter of advice and recommendations from the Independent Financial Adviser, we concur with the view of the Independent Financial Adviser and consider that the Offer is not fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we advise the Independent Shareholders not to accept the Offer.

Notwithstanding our recommendations, the Independent Shareholders are strongly advised that the decision to realise or to hold their investment is subject to individual circumstances and investment objectives. If in doubt, the Independent Shareholders should consult their own professional advisers for professional advice.

Furthermore, the Independent Shareholders who wish to accept the Offer are recommended to read carefully the procedures for accepting the Offer as detailed in this Composite Document and the Form of Acceptance. If in any doubt, the Independent Shareholders should consult their own professional advisers for professional advice.

Yours faithfully,
For and on behalf of
the Independent Board Committee of
GC Construction Holdings Limited

Dr. Huang Hong
Independent
non-executive Director

Mr. Yu Chi Wing
Independent
non-executive Director

Dr. Lo Ki Chiu
Independent
non-executive Director

Dr. Luk Che Chung
Independent
non-executive Director

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of a letter of advice from the Independent Financial Adviser setting out the advice to the Independent Board Committee in respect of the Offer, which has been prepared for the purpose of inclusion in this Composite Document.



Room 1108-1110, 11/F.
Wing On Centre
111 Connaught Road Central
Hong Kong

7 November 2025

To: The Independent Board Committee of GC Construction Holdings Limited

Dear Sirs or Madams,

**MANDATORY UNCONDITIONAL CASH OFFER
BY QUAM SECURITIES LIMITED FOR AND ON BEHALF OF JUMBO
FLAGS CAPITAL LIMITED TO ACQUIRE ALL THE ISSUED SHARES
OF GC CONSTRUCTION HOLDINGS LIMITED (OTHER THAN THOSE
SHARES ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY
JUMBO FLAGS CAPITAL LIMITED AND PARTIES ACTING IN
CONCERT WITH IT)**

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee in relation to the Offer, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the composite offer and response document dated 7 November 2025 (the “**Composite Document**”) jointly issued by Jumbo Flags Capital Limited (the “**Offeror**”) and GC Construction Holdings Limited (the “**Company**”) to the Shareholders, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in this Composite Document unless the context requires otherwise.

As disclosed in the Joint Announcement, on 22 September 2025 (after trading hours), the Vendor and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell and the Offeror agreed to purchase the Sale Shares, being 728,880,000 Shares, representing approximately 72.89% of the total issued share capital of the Company as at the Latest Practicable Date, free from all encumbrances, for a total cash Consideration of HK\$122,455,200. Completion took place on the Completion Date, being 23 September 2025.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Immediately after Completion and as at the Latest Practicable Date, the Offeror, Mr. Gan, and parties acting in concert with any of them are interested in an aggregate of 728,880,000 Shares, representing approximately 72.89% of the total issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is therefore required to make a mandatory unconditional cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it). The Offer will be made to the Independent Shareholders.

As at the Latest Practicable Date, the Company has 1,000,000,000 Shares in issue and the Company has no other outstanding Shares, options, derivatives, warrants or other securities which are convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) and has not entered into any agreement for the issue of such options, derivatives, warrants or other relevant securities which are convertible or exchangeable into Shares.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors, namely Dr. Huang Hong, Mr. Yu Chi Wing, Dr. Lo Ki Chiu and Dr. Luk Che Chung, *JP*, has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give a recommendation to the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. In our capacity as the Independent Financial Adviser, our role is to give an independent opinion to the Independent Board Committee as to whether the Offer is fair and reasonable and as to acceptance so far as the Independent Shareholders are concerned, and such appointment has been approved by the Independent Board Committee.

OUR INDEPENDENCE

We, Merdeka Corporate Finance Limited, have been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee in this respect, and our opinion herein is solely for the assistance of the Independent Board Committee in connection with its consideration of the Offer pursuant to Rule 2.1 of the Takeovers Code. The appointment of Merdeka Corporate Finance Limited as the Independent Financial Adviser has been approved by the Independent Board Committee. Our role as the Independent Financial Adviser is to give our recommendation to the Independent Board Committee as to (i) whether the Offer is fair and reasonable so far as the Independent Shareholders are concerned; and (ii) whether the Offer should be accepted.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We are independent of and not connected with the Company, the Offeror, the Vendor, Mr. KS Chan, Mr. WP Chan, Mr. Gan, any of their respective substantial shareholders, or any party acting, or presumed to be acting, in concert with any of them. During the past two years immediately preceding and up to the date of our appointment as the Independent Financial Adviser, save for this appointment as the Independent Financial Adviser in respect of the Offer, there were no other engagements between Merdeka Corporate Finance Limited and the Group or the Offeror. Apart from the normal advisory fee payable to us in connection with our appointment as the Independent Financial Adviser to advise the Independent Board Committee, no arrangement exists whereby we shall receive any other fees or benefits from the Offeror and the Company or any of their respective substantial shareholders or any person acting, or deemed to be acting, in concert with any of them. Accordingly, we are considered eligible to give independent advice on the Offer.

BASIS OF OUR ADVICE

In formulating our advice and recommendation to the Independent Board Committee, we have relied on the statements, information, opinions, and representations contained in or referred to in this Composite Document and the information and representations as provided to us by the Directors and the management of the Company (the “**Management**”). Our review procedures include, among others, review of the annual reports of the Company for the year ended 31 March 2024 (the “**2023/24 Annual Report**”) and 2025 (the “**2024/25 Annual Report**”), this Composite Document, relevant announcements published by the Company, the industry trends of the Group’s principal business, the historical Share price performance and the trading liquidity of the Company, and comparable companies to the Company. We have assumed that all information and representations that have been provided by the Directors and the Management are true, complete and accurate in all material respects at the time when they were made and up to the date throughout the Offer Period and should there be any material changes thereto, Shareholders would be notified as soon as possible in accordance with Rule 9.1 of the Takeovers Code. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in this Composite Document were reasonably made after due enquiries and careful considerations.

We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any fact or circumstance which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. The Independent Shareholders will be notified of any material changes to such information provided in this Composite Document and our opinion as soon as possible. We have also assumed that all statements of opinion made by the Directors and the Management in this Composite Document were reasonably made after due enquiries and careful consideration.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Directors have confirmed that, to the best of their information and knowledge, they believe that no material fact or information has been omitted from the information supplied and that the representations made or opinions expressed have been arrived at after due and careful consideration and there are no other facts or representations the omission of which would make any statement in this Composite Document, including this letter, misleading.

While we have taken reasonable steps to satisfy the requirements under the Takeovers Code and the Listing Rules, we have not carried out any independent verification of the information, opinions or representations given or made by or on behalf of the Company or the Offeror as set out in this Composite Document, nor have we conducted an independent investigation into the business affairs or assets and liabilities of the Group or any of the other parties involved in the Offer.

We have not considered the tax and regulatory implications on the Independent Shareholders of acceptance or non-acceptance of the Offer since these depend on their individual circumstances. In particular, the Independent Shareholders who are resident overseas or subject to overseas taxes or Hong Kong taxation on securities dealings should consider their own tax positions, and if in any doubt, should consult their own professional adviser.

This letter is issued for the information of the Independent Board Committee solely in connection with their consideration of the Offer, and except for its inclusion in this Composite Document, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation to the Independent Board Committee in relation to the Offer, we have considered the principal factors and reasons as set out below:

1. Background information on the Group

1.1 Principal business

As set out in the Board Letter, the Company was incorporated in the Cayman Islands with limited liability and its issued shares are listed on the Main Board of the Stock Exchange. The Company is principally engaged in investment holding. The Group is a wet trades contractor in Hong Kong and construction subcontractor in Cambodia. The wet trades works performed by the Group mainly included plastering, tile laying, brick laying, floor screeding and marble works.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

1.2 Historical financial information

Set out below is a summary of the audited consolidated results of the Group for the year ended 31 March 2023 (“FY2022/23”), 2024 (“FY2023/24”), and 2025 (“FY2024/25”) as extracted from the 2023/24 Annual Report and 2024/25 Annual Report, respectively. As referred to the 2024/25 Annual Report, over 95% of the Group’s revenue is from external customers located in Hong Kong during FY2024/25.

	For the years ended 31 March		
	2025	2024	2023
	HK\$’000 <i>Audited</i>	HK\$’000 <i>Audited</i>	HK\$’000 <i>Audited</i>
Revenue	530,657	585,170	541,648
– Wet trades work	508,479	585,170	541,648
– Construction work (<i>Note</i>)	22,178	–	–
Cost of services	(528,535)	(543,327)	(476,127)
Gross profit	2,122	41,843	65,521
Operating (loss)/profit	(53,887)	20,587	56,269
(Loss)/profit and total comprehensive (expense)/income for the year attributable to owners of the Company	(53,471)	19,069	49,328

Note: The Group commenced the provision of construction work service in Cambodia since the 4th quarter of 2024.

	As at 31 March		
	2025	2024	2023
	HK\$’000 <i>Audited</i>	HK\$’000 <i>Audited</i>	HK\$’000 <i>Audited</i>
Total assets	321,060	384,588	358,327
Total liabilities	48,712	58,769	51,577
Net assets	272,348	325,819	306,750

For the years ended 31 March 2024 and 2025

The revenue decreased from approximately HK\$585.2 million for the year ended 31 March 2024 to approximately HK\$530.7 million for the year ended 31 March 2025, representing a decrease of approximately HK\$54.5 million or 9.3%. The decrease in revenue was mainly driven by the decrease in the number of projects awarded during the year ended 31 March 2025. We discussed with the Management and were advised that such decrease was primarily attributable to the Group’s more prudent approach towards new projects and its preference for collaborating with reputable contractors or existing contractors with a proven track record, with the intention to enhance project quality control and to minimise the risk of payment delays.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The cost of services decreased from approximately HK\$543.3 million for the year ended 31 March 2024 to approximately HK\$528.5 million for the year ended 31 March 2025, representing a decrease of approximately HK\$14.8 million or 2.7%. The decrease in the cost of services was caused by the decrease in the number of projects awarded during the year ended 31 March 2025.

The gross profit decreased from approximately HK\$41.8 million for the year ended 31 March 2024 to approximately HK\$2.1 million for the year ended 31 March 2025, representing a decrease of approximately HK\$39.7 million. The decrease in gross profit was primarily attributable to the volatility of the real estate market in Hong Kong. The instability in property prices has adversely affected (i) the deteriorated gross profit margin of the new awarded wet trade works; (ii) the delay of work progress and unexpected changes in request of the work by the customers incurred additional construction cost; and (iii) the tight budget affected the certified amount of work done from the customers.

The Group recorded the profit and total comprehensive income of approximately HK\$19.1 million for the year ended 31 March 2024, and it turned to the loss and total comprehensive expense of approximately HK\$53.5 million for the year ended 31 March 2025. Such change was mainly driven by the decrease in gross profit and increase in impairment losses on trade receivables and contract assets as mentioned above

As at 31 March 2025, the Group's total assets were approximately HK\$321.1 million, reflecting a decrease of about 16.5% compared to approximately HK\$384.6 million as at 31 March 2024. The Group's total liabilities stood at approximately HK\$48.7 million as at 31 March 2025, representing a decrease of approximately 17.1% as compared to HK\$58.8 million as at 31 March 2024. The net assets decreased by approximately 16.4% from approximately HK\$325.82 million as at 31 March 2024 to approximately HK\$272.34 million as at 31 March 2025.

For the years ended 31 March 2023 and 2024

The revenue increased from approximately HK\$541.6 million for the year ended 31 March 2023 to approximately HK\$585.2 million for the year ended 31 March 2024, representing an increase of approximately HK\$43.5 million or 8.0%. The increase in revenue was mainly driven by the increase in the amount of works performed by the Group in some of the ongoing sizeable projects, including the redevelopment projects at Kwai Chung Hospital, projects related to the Kai Tak Development, projects related to the LOHAS Park Development, a residential project in Tai Wo Ping and a residential project in Kam Sheung Road.

The cost of services increased from approximately HK\$476.1 million for the year ended 31 March 2023 to approximately HK\$543.3 million for the year ended 31 March 2024, representing an increase of approximately HK\$67.2 million or 14.1%. The increase in cost of services was caused by the increase in the amount of works performed by the Group.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The gross profit decreased from approximately HK\$65.5 million for the year ended 31 March 2023 to approximately HK\$41.8 million for the year ended 31 March 2024, representing a decrease of approximately HK\$23.7 million or 36.1%. The decrease in gross profit was primarily attributable to the volatility of the real estate market. The instability in property prices has adversely affected the gross margin of the wet trade works.

The profit and total comprehensive income for the year decreased from approximately HK\$49.3 million for the year ended 31 March 2023 to approximately HK\$19.1 million for the year ended 31 March 2024, representing decrease of approximately HK\$30.3 million or 61.3%. Such decrease was mainly driven by the decrease in gross profit and other income.

As at 31 March 2024, the Group's total assets were approximately HK\$384.6 million, reflecting an increase of about 7.3% compared to approximately HK\$358.3 million as at 31 March 2023. The Group's total liabilities stood at approximately HK\$58.8 million as at 31 March 2025, representing an increase of approximately 13.9% as compared to HK\$51.6 million as at 31 March 2023. The net assets increased by approximately 6.2% from approximately HK\$306.8 million as at 31 March 2023 to approximately HK\$325.8 million as at 31 March 2025.

In general, the financial performance of the Company has been deteriorating since FY2023, with a decreasing gross profit recorded by the Group during the period and the turnaround in operating profit for FY2023 and FY2024 to an operating loss for FY2025, due to the volatility of the real estate market in Hong Kong, which affects the profitability of the projects as described above. We meanwhile noted that despite such adverse circumstances, the Group has adopted a more prudent approach when selecting new projects to minimize the risk of payment delay and enhance project quality.

2. Background and intention of the Offeror

2.1 Background information on the Offeror

The Offeror is a company incorporated in the BVI with limited liability and is principally engaged in investment holding. The Offeror is wholly and beneficially owned by Mr. Gan as at the Latest Practicable Date.

Mr. Gan, aged 51, is a seasoned corporate executive with extensive experience in corporate leadership, specialising in the areas of business consultancy and investment. He is the chairman of the board of directors of GM Vision Investment Co., Limited, a Cambodia-based company principally engaged in land investment and providing consultancy services related to investments in Cambodia.

Mr. Gan has around 8 years' experience in land investment in Cambodia. With such experience in land investment and track record of operating businesses in Cambodia, Mr. Gan has provided consultancy service for setting up of company, licensing and taxation, etc. for companies who has participated and/or would like to participate in the Cambodian market since 2022. As a chairman of the board of directors of GM Vision Investment Co., Limited, Mr. Gan also possesses managerial acumen, overseeing company operations and formulating strategic business initiatives.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As the Group undertakes construction project in Cambodia, Mr. Gan's profound knowledge, business expertise and established network in land investment and consultancy services in Cambodia are expected to provide valuable complementary expertise, resources and customer networks to enhance the Group's existing operations in Cambodia.

2.2 Intention of the Offeror in relation to the Group

As stated in the "Letter from Quam Securities", following the close of the Offer, the Offeror intends that the Group will continue the principal business of the Group and will maintain the listing status of the Company. The Offeror will conduct a review of the business activities and assets of the Group for the purpose of formulating business plans and strategies for the future business development of the Group. As at the Latest Practicable Date, the Offeror has no intention, understanding, negotiation or arrangement to downsize, cease or dispose of any of the existing businesses of the Group.

Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund-raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. As at the Latest Practicable Date, no investment or business opportunity has been identified nor have the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

As at the Latest Practicable Date, the Board is comprised of three executive Directors and four independent non-executive Directors. The Offeror intends to continue the employment of the existing management and employees of the Group (except for a proposed change to the members of the Board at a time no earlier than that permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate).

The Offeror intends to nominate new director(s) to the Board with effect from a date which is no earlier than such date as permitted under the Listing Rules and the Takeovers Code or such later date as the Offeror considers to be appropriate. As at the Latest Practicable Date, the Offeror has not identified any potential candidates to nominate as new director(s) to the Board. Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the Listing Rules and further announcement(s) will be made as and when appropriate.

Save for the Offeror's intention regarding the Group as set out above, the Offeror has no intention to (i) make material changes to the employment of the management and employees of the Group; and (ii) dispose of or redeploy the assets of the Group other than those in its ordinary and usual course of business.

3. Prospects and outlook of the Group

As detailed in the section headed “1.2 Information on the Group” above, significant portion (i.e. over 95%) of the Group’s total revenue is derived from the provision of construction services (i.e. wet trade work and construction work) in both private and public sectors in Hong Kong.

According to the 2025 Policy Address¹ announced in September 2025, the Hong Kong government laid out a number of initiatives specifically targeted at housing and property markets, including but not limited to (i) overall public housing production in the next five years to reach 189 000 units; (ii) completing 30,000 Light Public Housing units by the first half of 2027; and (iii) enriching the housing ladder via adjustment on the following items including but not limited to (a) increasing the quota ratio between Green Form and White Form; (b) increasing the quota of the White Form Secondary Market Scheme; and (c) relaxing alienation restriction periods. In addition, the 2025 Policy Address mentioned accelerating the development of the Northern Metropolis. It is expected that the planned increase in public housing output, together with the accelerated delivery of Light Public Housing and ongoing large-scale developments such as the Northern Metropolis, will create sustained demand for construction, engineering, and related professional services.

Additionally, according to the Hong Kong Property Review 2025² published in April 2025 by the Rating and Valuation Department (“RVD”), the private domestic property market recorded a notable rebound in completions in 2024, with 24,261 units completed, representing an increase of about 75% compared with 2023. Of these, around 48% were located in the New Territories, 45% in Kowloon and 7% on Hong Kong Island. Take-up of private domestic units amounted to approximately 17,310 units during 2024, up by around 10% year-on-year, while the overall vacancy rate rose modestly to about 4.5% (equivalent to approximately 57,900 units) at year-end. The RVD forecasts that completions will moderate to about 20,862 units in 2025 and further to 20,098 units in 2026, indicating that the surge in new supply in 2024 may not be sustained in the short term.

Moreover, based on the private domestic property price indices by class (territory-wide)³ published by the RVD, the private domestic property price index (all class) has shown a continuous decline in recent years, falling from 385.5 in the first quarter of 2021 to 286.6 in the second quarter of 2025, representing a cumulative decrease of approximately 25.6% over the period. The indices for smaller units (Classes A, B, and C) fell from 388.0 to 288.1, while those for larger units (Classes D and E) decreased from 320.6 to 261.6. The data indicate that residential property prices have continued to soften across all size categories during the period under review, suggesting a downward adjustment trend in the Hong Kong property market up to mid-2025.

The downward adjustment trend in the Hong Kong property market indicates that the property developers are expected to adopt a more cautious approach toward new project launches, which could lead to a short-term moderation in private sector construction workload, affecting contractors as well as firms engaged in architectural design, engineering consultancy, surveying, and project management services. Nevertheless, the government’s continued emphasis on public housing production and major infrastructure projects is anticipated to partially offset the softening in private-sector demand.

¹ <https://www.policyaddress.gov.hk/2025/en/highlight.html>

² <https://www.rvd.gov.hk/en/publications/hkpr.html>

³ https://www.rvd.gov.hk/en/publications/property_market_statistics.html

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Having considered the aforesaid, we are of the view that the outlook for the construction and construction services industry remains positive, supported by large-scale initiatives such as the Northern Metropolis development and the public housing programme as announced under the 2025 Policy Address, which are expected to drive sustained demand for construction and related services in the city, despite short-term pressure arising from the downward adjustment trend in the Hong Kong property market.

4. Principal terms of the Offer

Quam Securities, for and on behalf of the Offeror, is making the Offer to acquire all the Offer Shares in compliance with the Takeovers Code and on the terms set out in this Composite Document and in the Form of Acceptance on the following basis:

Offer Price for each Offer Share HK\$0.1812 in cash

The Offer Price of HK\$0.1812 per Offer Share is equivalent to the Consideration payable by the Offeror (i.e. HK\$122,455,200) together with the interest accruing on the Remaining Consideration for a period of two years after the Completion Date (i.e. $\text{HK\$}60,000,000 \times 8\% \times 2 = \text{HK\$}9,600,000$), divided by the number of the Sale Shares (i.e. 728,880,000 Shares).

The Offer is unconditional in all respects and will not be conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions. The Offer is extended to all Shares in issue other than those Shares held by the Offeror and parties acting in concert with it.

As at the Latest Practicable Date, the Company has 1,000,000,000 Shares in issue and the Company does not have any other outstanding Shares, options, warrants, derivatives or other securities which are convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) and has not entered into any agreement for the issue of such options, derivatives, warrants or other relevant securities which are convertible or exchangeable into Shares.

The Company confirms that, as at the Latest Practicable Date, it has not declared any dividend which is not yet paid and it does not have any intention to declare or pay any future dividend or make other distributions prior to and including the date of closing of the Offer.

4.1 Analysis on the Offer Price

The Offer Price of HK\$0.1812 per Offer Share represents:

- (i) a discount of 61.45% to the closing price of HK\$0.47 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 45.91% to the closing price of HK\$0.3350 per Share as quoted on the Stock Exchange on 22 September 2025, being the Last Trading Day;

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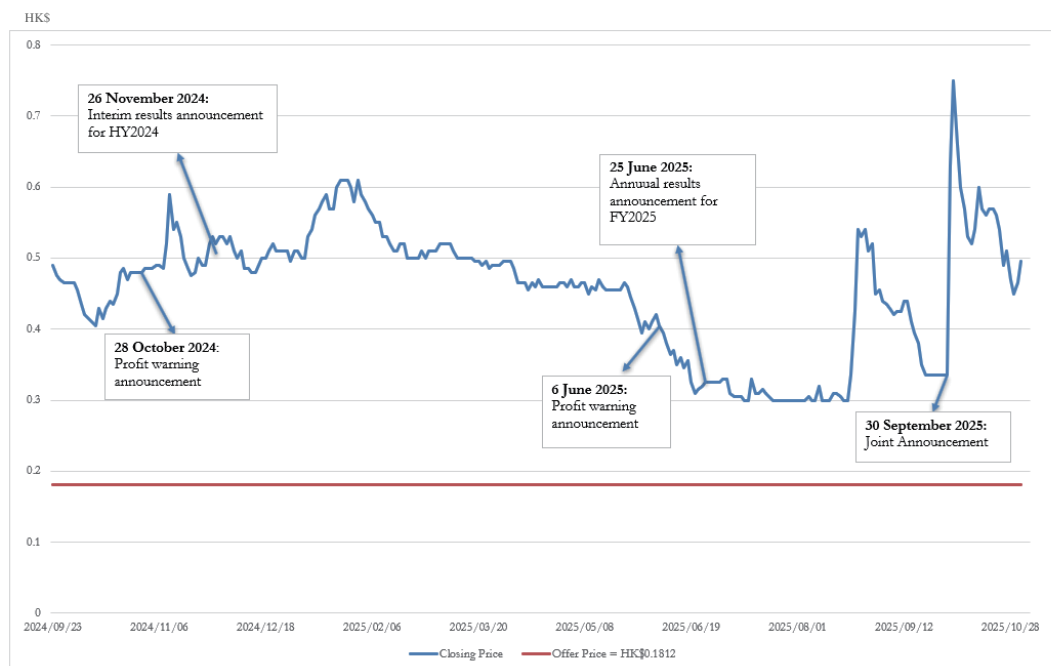
- (iii) a discount of approximately 51.55% to the average closing price of HK\$0.3740 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to and including the Last Trading Day (the “**5-day Average Price**”)
- (iv) a discount of approximately 54.93% to the average closing price of HK\$0.4020 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day (the “**10-day Average Price**”);
- (v) a discount of approximately 54.90% to the average closing price of approximately HK\$0.4018 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day (the “**30-day Average Price**”); and
- (vi) a discount of approximately 33.46% to the audited net asset value per Share of approximately HK\$0.2723 as at 31 March 2025, calculated based on the Group’s audited consolidated net asset value attributable to the Shareholders as at 31 March 2025 of approximately HK\$272,348,000, divided by a total of 1,000,000,000 issued Shares as at the Latest Practicable Date.

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4.2 Historical performance of the Shares

Set out below is the chart showing the daily closing price of the Shares as quoted on the Stock Exchange during the period commencing from 23 September 2024, being the twelve-month period prior to the Last Trading Day (i.e. 22 September 2025), up to and including the Latest Practicable Date (the “Review Period”):

Share price performance during the Review Period



Source: the website of the Stock Exchange (www.hkex.com.hk)

Note: The trading of the Shares on the Stock Exchange was suspended at 9:00 a.m. on 23 September 2025 pending the release of the Joint Announcement. Trading of the Shares on the Stock Exchange was resumed at 9:00 a.m. on 2 October 2025.

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We have reviewed the movements in the closing price of the Shares for the Review Period. We consider the length of the Review Period to be reasonably long enough to illustrate the relationship between the historical trend of the closing price of the Shares and the Offer Price.

The Shares have been trading above the Offer Price during the entire Review Period. The highest and lowest closing price of the Shares during the Review Period were HK\$0.75 per Share recorded on 3 October 2025 and HK\$0.30 per Share recorded various dates, including the period from 23 July to 5 August 2025, as well as on 11 and 14 July 2025 and 7, 8, 12 to 14, 20 and 21 August 2025, as quoted on the Stock Exchange. The average daily closing price of the Shares during the Review Period is approximately HK\$0.456 per Share. The Offer Price of HK\$0.1812 per Share represents (i) a discount of approximately 75.84% to the highest closing price of HK\$0.75 per Share; (ii) a discount of approximately 39.60% to the lowest closing price of HK\$0.30 per Share; and (iii) a discount of approximately 60.27% to the average daily closing price of approximately HK\$0.456 per Share during the Review Period.

Pre-Announcement Period

During the period under review from 23 September 2024 to 22 September 2025 (being the Last Trading Day) (the “**Pre-Announcement Period**”), the lowest closing price of the Shares during the Pre-Announcement Period was HK\$0.30 per Share recorded various dates, including the period from 23 July to 5 August 2025, as well as on 11 and 14 July 2025 and 7, 8, 12 to 14, 20 and 21 August 2025, as quoted on the Stock Exchange. The highest closing price of the Share during the Pre-Announcement Period was HK\$0.61, recorded on 21, 22, 23, and 28 January 2025. The Offer Price of HK\$0.1812 per Share represents (i) a discount of approximately 70.30% to the highest closing price of HK\$0.61 per Share; (ii) a discount of approximately 39.60% to the lowest closing price of HK\$0.30 per Share; and (iii) a discount of approximately 59.79% to the average daily closing price of approximately HK\$0.451 per Share during the Pre-Announcement Period.

As shown in the above chart, the Share price showed a generally downward trend during the Pre-Announcement Period. The Share price was HK\$0.49 on 23 September 2024 and declined steadily in the following weeks. It then fluctuated mildly and closed at HK\$0.495 on 31 December 2024. In 2025, the Share price continued to soften and reached its lowest point of HK\$0.30 on 11 July 2025. After hitting this low, the Share price remained subdued, trading within a narrow range of approximately HK\$0.30 to HK\$0.40 without showing any strong recovery. The highest and lowest closing prices during the Pre-Announcement Period were HK\$0.61 and HK\$0.30, respectively. On the Last Trading Day, the Share price closed at HK\$0.335. We have observed that the Company (i) published a profit warning announcement on 28 October 2024; (ii) announced its interim results for the six months ended 30 September 2024 on 26 November 2024; (iii) published a profit warning announcement on 6 June 2025; (iv) announced its annual results for the year ended 31 March 2025 on 26 June 2025; and (v) published the Joint Announcement on 30 September 2025. We have made inquiries with the Management and were advised that, save for the publication of announcements of the Company as described above, the Directors were not aware of any specific reasons that may have an impact on the fluctuations of Share prices during the Pre-Announcement Period.

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Post-Announcement Period

During the period under review from 2 October 2025 (i.e. day of resumption of trading after publication of the Joint Announcement) up to and including the Latest Practicable Date, (the “**Post-Announcement Period**”), the Offer Price of HK\$0.1812 per Share represents (i) a discount of approximately 75.84% to the highest closing price of HK\$0.75 per Share; (ii) a discount of approximately 59.73% to the lowest closing price of HK\$0.45 per Share during the Post-Announcement Period; and (iii) a discount of approximately 67.11% to the average daily closing price of approximately HK\$0.551 per Share during the Post-Announcement Period.

Having considered: (i) a discount of approximately 61.45% to the closing price of HK\$0.47 on the Latest Practicable Date; (ii) a discount of approximately 60.27% to the average closing price of approximately HK\$0.456 during the Review Period; and (iii) the Shares have consistently traded at a price higher than the Offer Price during the entire Review Period, we are of the view that the Offer Price is unattractive and therefore not fair and not reasonable.

Independent Shareholders should note that the information set out above is not an indicator of the future performance of the Shares and that the price of the Shares may increase or decrease from the closing price of the Shares after the Latest Practicable Date.

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4.3 Historical trading volume of the Shares

The following table sets out the historical monthly trading volumes of the Shares and the percentage of the number of Shares traded as compared to the total number of Shares in issue during the Review Period.

Month/Period	Total trading volume for month/period (number of Shares)	Number of trading days during the month (days)	Average daily trading volume for month/period (number of Shares)	Percentage of average daily trading volume to total number of the Shares in issue as at the Latest Practicable Date (Note 3)	Percentage of average daily trading volume to total number of the Shares held by public Shareholders as at the Latest Practicable Date (Note 4)
2024					
September 23 to 30	8,415,000	6	1,402,500	0.1403%	0.5173%
October	7,505,000	21	357,381	0.0357%	0.1318%
November	27,955,000	21	1,331,190	0.1331%	0.4910%
December	10,185,000	20	509,250	0.0509%	0.1878%
2025					
January	30,335,000	19	1,596,579	0.1597%	0.5889%
February	17,710,000	20	885,500	0.0886%	0.3266%
March	10,195,000	21	485,476	0.0485%	0.1791%
April	5,805,000	19	305,526	0.0306%	0.1127%
May	10,870,000	20	543,500	0.0544%	0.2005%
June	20,600,000	21	980,952	0.0981%	0.3618%
July	6,000,000	22	272,727	0.0273%	0.1006%
August	33,155,000	21	1,578,810	0.1579%	0.5823%
September	16,185,000	22	735,682	0.0736%	0.2713%
October	116,020,000	20	5,801,000	0.5801%	2.1396%
November 1 to the Latest Practicable Date	3,945,000	2	1,972,500	0.1973%	0.7275%
		Minimum	272,727	0.0273%	0.1006%
		Maximum	5,801,000	0.5801%	2.1396%
		Average	1,250,572	0.1251%	0.4613%

Source: www.hkex.com.hk

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Notes:

1. The Review Period commenced on 23 September 2024.
2. The trading of the Shares on the Stock Exchange was suspended at 9:00 a.m. on 23 September 2025 pending the release of the Joint Announcement. Trading of the Shares on the Stock Exchange was resumed at 9:00 a.m. on 2 October 2025.
3. Based on 1,000,000,000 Shares in issue as at the end of each month/period.
4. Based on 271,120,000 Shares held by public Shareholders as at the Latest Practicable Date.

As illustrated above, the average daily trading volume of the Shares as a percentage of the total number of the Shares in issue as at the Latest Practicable Date ranged from the lowest of approximately 0.0273% in July 2025 to the highest of approximately 0.5801% in October 2025, with an average daily trading volume of approximately 0.1251% of the total number of issued Shares as at the Latest Practicable Date.

If only Shares held by public Shareholders (the “**Free Float Shares**”) are considered in calculating the percentage of average daily trading volume of the Shares as at the respective month/period under the Review Period, the average trading volume of the Free Float Shares during the Review Period ranged from the lowest of approximately 0.1006% in July 2025 to the highest of approximately 2.1396% in October 2025 with an average daily trading volume of approximately 0.4613% of the total number of Free Float Shares as at the Latest Practicable Date. We noted that the trading volume surged to approximately 2.1396% in October 2025 from approximately 0.02713% in September 2025 and were advised that the Directors were not aware of any specific reasons that may have an impact on the fluctuations of trading volume of the Shares other than the publication of the Joint Announcement.

Given that the percentage of average daily trading volume to total number of Shares in issue and to total number of Shares held by public Shareholders ranges from 0.1006% to 0.5889% for most of the month/period during the Review Period, Therefore, we consider that the trading volume of the Shares was generally thin in the Review Period and illiquid in the open market.

Given the overall thin historical trading volume of the Shares during the entire Review Period, the Independent Shareholders (especially those with relatively sizeable shareholdings) may find it difficult to dispose of a large volume of Shares in the open market at a fixed cash price within a short period of time without exerting downward pressure on the Shares price. The Independent Shareholders are also advised to consider selling their Shares in the open market instead of accepting the Offer given the closing prices of the Shares had been staying well above the Offer Price during the entire Review Period, after taking into account the possible pressure on the Share price when selling in bulk, if net proceeds from such sale of Shares would exceed the net amount receivable under the Offer. Independent Shareholders should also be aware that they may have to sell their Shares in the market by batches if they do not accept the Offer.

4.4 *Comparable Analysis*

In assessing the fairness and reasonableness of the Offer Price, we have considered using the price-to-earnings ratio (the “**P/E ratio**”) analysis, the price-to-sales ratio (the “**P/S ratio**”) analysis, the price-to-book ratio (the “**P/B ratio**”) analysis, and dividend yield analysis, which are commonly adopted valuation methods for comparing the market valuation of companies. Given that (i) the Group was loss-making and no dividend was distributed for the most recent financial year; and (ii) construction industry (including construction services) is generally characterised by high operating expenses and substantial capital requirements for project commencement and ongoing operations, we consider that the P/E ratio analysis, P/S ratio analysis and dividend yield analysis are not applicable. Notwithstanding the foregoing, as a substantial portion of the Group’s assets comprised contract assets and trade receivables, which together accounted for approximately 91.0% of its total assets and approximately 107.3% of its net asset value as at 31 March 2025, we have therefore adopted the P/B ratio analysis as the most appropriate valuation approach.

Based on the Offer Price of HK\$0.1812 per Offer Share and the total number of issued Shares of 1,000,000,000 as at the Latest Practicable Date, the Company is valued at approximately HK\$181.2 million. The P/B Ratio of the Company implied by the Offer Price is approximately 0.67 times (the “**Implied P/B Ratio**”) based on the audited consolidated net assets of the Group of approximately HK\$272.35 million as at 31 March 2025.

Given that (i) the Group’s revenue is derived from providing the construction services (i.e. wet trade work and construction work) in Hong Kong; and (ii) the market capitalisation of the Company was approximately HK\$335.0 million as at the Last Trading Day (based on the total issued shares of 1,000,000,000 Shares and the closing price of Share of HK\$0.335 as at the Last Trading Day), for the purpose of our comparable analysis, we have identified comparable companies based on the following criteria: (i) the shares of which are listed on the main board of the Stock Exchange and have not been suspended as at the Last Trading Day; (ii) engages in a principal business similar to those of the Group (i.e. provision of construction services); (iii) generated more than 50% of its revenue from the provision of construction services in Hong Kong in most recent completed financial year; and (iv) are of comparable size to the Company with market capitalisation as at the Last Trading Day from HK\$100 million and up to HK\$1 billion. Based on such criteria, we have identified, to the best of our knowledge, an exhaustive list of 13 comparable companies (the “**Comparable Companies**”).

Despite differences in market capitalisation between the Company and the Comparable Companies, we consider the Comparable Companies to be fair and representative after taking into account that: (i) the Comparable Companies engage in similar principal business activities with same geographical location; (ii) the Comparable Companies’ shares are listed on the main board of the Stock Exchange; (iii) the selected market capitalisation range ensures comparability in terms of market conditions, investor perception, operational scale, and business risks; and (iv) the list of Comparable Companies represents exhaustive based on the aforesaid selection criteria, we consider the selection criteria to be fair and representative and the Comparable Companies identified based on these criteria constitute an appropriate and representative reference for assessing the fairness and reasonableness of the Offer Price.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

No.	Company name (Stock code)	Principal activities	Construction services revenue proportion (%) (Note 1)	Market capitalisation as at the Last Trading Day (Note 2) (HK\$' million)	P/B Ratio (times) (Note 3)
1	FEG Holdings Corporation Limited (stock code: 1413)	The group is principally engaged in the provision of construction services in Hong Kong.	100.00	170.80	0.74
2	Wecon Holdings Limited (stock code: 1793)	The group is principally engaged in the provision of building construction and repair, maintenance, alteration and addition ("RMAA") works services.	86.88	147.20	0.53
3	SOCAM Development Limited (stock code: 983)	The group is principally engaged in property development and investment, construction and contracting, renovation and fitting out, smart facilities management and investment holding.	95.82	160.54	0.07
4	China Wacan Group Company Limited (stock code: 1920)	The group is principally engaged in the provision of construction services including wet trades works and other wet trades related ancillary works, provision of construction information technology services, and provision of beauty and health services.	99.67	159.12	6.59
5	CR Construction Group Holdings Limited (stock code: 1582)	The group is a long established main contractor principally engaged in the provision of (i) building construction services and (ii) RMAA works in Hong Kong, Malaysia and United Kingdom.	97.70	177.50	0.24

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

No.	Company name (Stock code)	Principal activities	Construction services revenue proportion (%) (Note 1)	Market capitalisation as at the Last Trading Day (Note 2) (HK\$' million)	P/B Ratio (times) (Note 3)
6	New Concepts Holdings Limited (stock code: 2221)	The Group is principally engaged in (i) provision of foundation works, civil engineering contractual service and general building works; and (ii) environmental protection projects including kitchen waste treatment related business, development and management of environmental protection industrial park and new energy materials in Mainland China.	89.55	149.87	0.40
7	Hanison Construction Holdings Limited (stock code: 896)	The group is mainly engaged in construction engineering businesses.	77.44	289.73	0.08
8	Yau Lee Holdings Limited (stock code: 406)	The group is principally engaged in contracting of building construction, plumbing, renovation, maintenance and fitting-out projects, electrical and mechanical installation, building materials supply, property investment and development and hotel operations.	75.19	324.16	0.05
9	Landrich Holding Limited (stock code: 2132)	The group is a construction contractor in Hong Kong principally providing construction engineering works in Hong Kong.	100.00	150.40	0.46
10	Twintek Investment Holdings Limited (stock code: 6182)	The group is principally engaged in sales of building materials and provision of construction and engineering services.	92.18	424.00	4.53
11	Wai Kee Holdings Limited (stock code: 610)	The group is principally engaged in the construction business.	97.44	594.84	0.21

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

No.	Company name (Stock code)	Principal activities	Construction	Market	P/B Ratio
			services revenue proportion (%)	capitalisation as at the Last Trading Day (Note 2) (HK\$' million)	
			(Note 1)		(times) (Note 3)
12	Asia Allied Infrastructure Holdings Limited (stock code: 711)	The group is principally engaged in civil engineering, electrical and mechanical engineering, foundation and building construction work, property development and assets leasing, professional services (including provision of security, tunnel management, property management and other facility management services), non-franchised bus services and manufacturing of PET radiopharmaceuticals.	87.06	798.57	0.34
13	Geotech Holdings Ltd (stock code: 1707)	The group was principally engaged in the provision of (i) construction and engineering services; (ii) property-related services; and (iii) sales of luxury products.	75.94	243.60	1.58
				Minimum	0.05
				Maximum	6.59
				Average	1.22
The Company				181.20 (Note 4)	0.67 (Note 5)

Sources: the website of the Stock Exchange (www.hkex.com.hk) and the financial reports of the respective Comparable Companies

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Notes:

1. The proportion of revenue attributable to construction services of each of the Comparable Companies was referred to the information set out in their respective latest available annual reports.
2. The market capitalisation of the Comparable Companies was calculated based on the closing share prices and the total issued shares of the Comparable Companies as at the Last Trading Day.
3. The P/B Ratio was based on the then market capitalisation of Comparable Companies as at the Last Trading Day, divided by the net asset value of the Comparable Companies as stated in their respective latest available annual report or interim report.
4. The market capitalisation of the Company is calculated based on the Offer Price of HK\$0.1812 and the number of issued Shares as at the Last Trading Day (i.e. 1,000,000,000 Shares).
5. The Implied P/B Ratio of approximately 0.67 times is based on (a) the implied market capitalization of the Company of approximately HK\$181.20 million based on the Offer Price and the issued number of Shares as at the Last Trading Day; and (b) the audited consolidated net assets of the Group of approximately HK\$272.35 million as at 31 March 2025.

As set out in the table above, the P/B ratios of the Comparable Companies ranged from approximately 0.05 times to approximately 6.59 times, with an average of approximately 1.22 times. The Implied P/B ratio of approximately 0.67 times, based on the Offer Price, falls within the range of the Comparable Companies but below the average. This indicates that the Offer Price represents a relatively conservative valuation as compared with the Comparable Companies.

Notwithstanding that the Implied P/B Ratio is within the range of P/B ratios of the Comparable Companies which indicates that the Offer Price is consistent with but at the lower end of the market valuation range of the Comparable Companies, we consider the Offer Price to be unattractive given that Offer Price represents a discount of approximately 61.45% to the closing price of HK\$0.47 per Share as at the Latest Practicable Date. Taking into account the prevailing market price level of the Shares, the Offer is not fair and reasonable from the perspective of the Comparable Companies analysis.

5. Public float and maintaining the listing status of the Company

As stated in the “Letter from Quam Securities” contained in this Composite Document, the Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury shares), are held by the public, or if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend dealings in the Shares.

The Offeror intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offer. The sole director of the Offeror and the new directors to be appointed to the Board (if any) will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Therefore, it should be noted that, upon the close of the Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares.

RECOMMENDATION

In summary, we have considered the below factors and reasons in arriving at our conclusion and recommendation in relation to the Offer:

- (i) the Offer Price is unattractive, given (i) the closing prices of the Shares has been trading above the Offer Price during the entire Review Period; (ii) the Offer Price represents a discount of approximately 45.91%, 51.55%, 54.93%, and 54.90% to the closing price as quoted on the Last Trading Day, 5-day Average Price, 10-day Average Price, and 30-day Average Price, respectively; (iii) the Offer Price represents a discount of 33.46% to the audited net asset value per Share of approximately HK\$0.2723 as at 31 March 2025 and (iv) the Offer Price represents a discount of approximately 61.45% to the closing price of the Shares of HK\$0.47 as at the Latest Practicable Date;
- (ii) the revenue of the Group for FY2024/25 has decreased by approximately 9.3% as compared to FY2024/23, alongside the turnaround of the operating profit of approximately HK\$20.6 million for FY2024/23 to a loss of approximately HK\$53.9 million for FY2024/25. Such decreases in revenue and the turnaround from operating profit to loss were primarily attributable to a reduction in the number of projects awarded during FY2024/25, which resulted from the Group's more prudent approach towards new projects and its preference for collaborating with reputable or existing contractors with a proven track record. This approach was intended to enhance project quality control and minimise the risk of payment delays, which will ultimately benefit the Company in the long term;
- (iii) the outlook for the construction and construction services industry remains positive, supported by large-scale initiatives such as the Northern Metropolis development and the public housing programme as announced under the 2025 Policy Address, which are expected to drive sustained demand for construction and related services in the city, despite short-term pressure arising from the downward adjustment trend in the Hong Kong property market;
- (iv) Mr. Gan's profound knowledge, business expertise and established network in land investment and consultancy services in Cambodia are expected to provide valuable complementary expertise, resources and customer networks to enhance the Group's existing operations in Cambodia; and
- (v) notwithstanding that the Implied P/B Ratio is within the range of P/B ratios of the Comparable Companies which indicates that the Offer Price is consistent with but at the lower end of the market valuation range of the Comparable Companies, the Offer Price is unattractive given that the Offer Price represents a discount of approximately 61.45% to the closing price of HK\$0.47 per Share as at the Latest Practicable Date.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As set out in the above points (i) and (v), the Offer Price represents substantial discounts to (i) the recent market trading levels of the Shares; (ii) the consolidated net asset value of the Company; and (iii) is positioned at the lower end of the market valuation range of the Comparable Companies, therefore, we are of the opinion that the Offer is not fair and reasonable so far as the Independent Shareholders are concerned. As further set out in the above points (ii), (iii) and (iv), despite the Group's recent unsatisfactory financial performance and the short-term pressure arising from the downward adjustment trend in the Hong Kong property market, the Group's more prudent approach towards new projects is expected to enhance project quality control and minimise the risk of payment delays. In addition, the supportive policies introduced by the Hong Kong government are expected to sustain demand in the construction and property-related industries, which will benefit the Group in future. Furthermore, Mr. Gan's business expertise and personal network are expected to strengthen the Group's expansion in Cambodia, which would be beneficial to the Shareholders. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders not to accept the Offer.

Nevertheless, the Independent Shareholders should also note that (i) there is no guarantee that the Share price will sustain at a level above the Offer Price and/or after the Offer Period; and (ii) the Independent Shareholders (regardless to their amount of shareholdings) may not be able to realise their investments in the Shares at a price higher than the Offer Price when they are going to dispose of their partial or entire holdings. In such circumstances, the Offer might provide an exit alternative for the Independent Shareholders who would like to realise their investments in the Shares at the Offer Price of HK\$0.1812. However, for those Independent Shareholders who intend to accept the Offer, we would remind them to closely monitor the market price and liquidity of the Shares during the Offer Period, and having regard to their own circumstances, consider selling the Shares in the open market, instead of accepting the Offer, if the net proceeds from such sale of Shares would be higher than that receivable under the Offer. For those Independent Shareholders who intend to dispose of large blocks of Shares in the open market, we would also remind them of the possible difficulty in disposing of their Shares in the open market without creating downward pressure on the market prices of the Shares as a result of the thin trading in the Shares.

Those Independent Shareholders who decide to retain part or all of their investments in the Shares should carefully monitor the financial performance of the Group and be aware of the potential difficulties they may encounter in disposing of their investments in the Shares at a price higher than the Offer Price after the Offer Period, given the generally low trading volume during the Review Period.

Yours faithfully,
For and on behalf of
Merdeka Corporate Finance Limited
Wallace So
Managing Director

Mr. Wallace So is a licensed person registered with the Securities and Futures Commission of Hong Kong, a responsible officer of Merdeka Corporate Finance Limited to carry out type 6 (advising on corporate finance) regulated activity under the SFO and a licensed representative of Merdeka Investment Management Limited to carry out type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO. Mr. Wallace So has over 13 years of experience in corporate finance industry.

1. GENERAL PROCEDURES FOR ACCEPTANCE OF THE OFFER

To accept the Offer, you should complete and sign the accompanying Form of Acceptance in accordance with the instructions printed thereon, which instructions form part of the terms of the Offer.

- (i) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in your name, and you wish to accept the Offer, you must send the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of the Shares for which you intend to accept the Offer, by post or by hand, to the Registrar, at 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong in an envelope marketed “**GC Construction Holdings Limited – Offer**” as soon as possible but in any event so as to reach the Registrar no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce as a result or an extension of the Offer in accordance with the Takeovers Code.
- (ii) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Offer in respect of your Shares, you must either:
 - (a) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer with the nominee company, or other nominee, with instructions authorising it to accept the Offer on your behalf and requesting it to deliver in an envelope marked “**GC Construction Holdings Limited – Offer**” the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer to the Registrar; or
 - (b) arrange for the Shares to be registered in your name by the Company through the Registrar, and deliver in an envelope marked “**GC Construction Holdings Limited – Offer**” the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer to the Registrar; or

- (c) if your Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Offer on your behalf in respect of the number of Shares for which you intend to accept the Offer on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or
 - (d) if your Shares have been lodged with your investor participant's account maintained with CCASS, authorise your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.
- (i) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are not readily available and/or is/are lost and you wish to accept the Offer in respect of your Shares, the Form of Acceptance should nevertheless be duly completed, signed and delivered in an envelope marked **"GC Construction Holdings Limited – Offer"** to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares or that it is/they are not readily available. If you find such document(s) or if it/they become(s) available, the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares should be forwarded to the Registrar as soon as possible thereafter. If you have lost the share certificate(s), you should also write to the Registrar for a letter of indemnity which, when completed and signed in accordance with the instructions given, should be provided to the Registrar. The Offeror shall have the absolute discretion to decide whether any Shares in respect of which the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title is/are not readily available and/or is/are lost will be taken up by the Offeror.
- (ii) If you have lodged transfer of any of your Shares for registration in your name and have not yet received your share certificate(s), and you wish to accept the Offer in respect of your Shares, you should nevertheless complete and sign the Form of Acceptance and deliver it in an envelope marked **"GC Construction Holdings Limited – Offer"** to the Registrar together with the transfer receipt(s) duly signed by yourself. Such action will be deemed to be an irrevocable authority to the Offeror and/or Quam Securities and/or their respective agent(s) to collect from the Company or the Registrar on your behalf the relevant share certificate(s) when issued and to deliver such share certificate(s) to the Registrar on your behalf and to authorise and instruct the Registrar to hold such share certificate(s), subject to the terms and conditions of the Offer, as if it was/they were delivered to the Registrar with the Form of Acceptance.

- (iii) Acceptance of the Offer will be treated as valid only if the duly completed and signed Form of Acceptance is received by the Registrar no later than 4:00 p.m. on the Closing Date (or such later time and/or date as the Offeror may determine and announce with the consent of the Executive) and the Registrar has recorded that the acceptance and the relevant documents as required under this paragraph have been so received, and is:
 - (a) accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer and, if that/those share certificate(s) is/are not in your name, such other document(s) in order to establish your right to become the registered holder of the relevant Shares; or
 - (b) from a registered Independent Shareholder or his/her personal representative (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Shares which are not taken into account under another sub-paragraph of this paragraph (iii)); or
 - (c) certified by the Registrar or the Stock Exchange.
- (iv) If the Form of Acceptance is executed by a person other than the registered Independent Shareholder, appropriate documentary evidence of authority to the satisfaction of the Registrar must be produced.
- (v) Seller's ad valorem stamp duty at a rate of 0.1% of the market value of the Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the amount payable to the relevant Shareholders on acceptance of the Offer. The Offeror will arrange for payment of the sellers' ad valorem stamp duty on behalf of the accepting Independent Shareholders and pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).
- (vi) No acknowledgement of receipt of any Form of Acceptance and/or share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.
- (vii) The address of the Registrar, Boardroom Share Registrars (HK) Limited, is at 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong.

2. ACCEPTANCE PERIOD AND REVISIONS

- (i) Unless the Offer has previously been revised or extended, with the consent of the Executive, in accordance with the Takeovers Code, the Form of Acceptance must be received by the Registrar no later than 4:00 p.m. on the Closing Date in accordance with the instructions printed on the Form of Acceptance, and the Offer will be closed on the Closing Date.
- (ii) The Offeror and the Company will jointly issue an announcement through the websites of the Stock Exchange and the Company no later than 7:00 p.m. on the Closing Date stating whether the Offer has been extended or revised.
- (iii) In the event that the Offeror decides to extend the Offer, the Offeror will issue an announcement in relation to any extension of the Offer, which announcement will state either the next closing date or, a statement that the Offer will remain open until further notice. In the latter case, at least 14 days' notice by way of announcement will be given, before the Offer is closed, to those Independent Shareholders who have not accepted the Offer.
- (iv) If the Offeror revises the terms of the Offer, all Independent Shareholders, whether or not they have already accepted the Offer will be entitled to accept the revised Offer under the revised terms. The revised Offer must be kept open for at least 14 days following the date on which the revised offer document is posted.
- (v) If the Closing Date is extended, any reference in this Composite Document and in the Form of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the subsequent Closing Date of the Offer so extended.

3. ANNOUNCEMENTS

- (i) As required under Rule 19 of the Takeovers Code, by 6:00 p.m. on the Closing Date (or such later time and/or date as the Executive may in exceptional circumstances permit), the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension or expiry of the Offer. The Offeror must publish an announcement in accordance with the requirements of the Listing Rules by 7:00 p.m. on the Closing Date stating whether the Offer has been extended or revised. Such announcement must state the following:
 - (a) the total number of Shares and rights over Shares for which acceptances of the Offer have been received;
 - (b) the total number of Shares and rights over Shares held, controlled or directed by the Offeror and the parties acting in concert with it before the Offer Period;

- (c) the total number of Shares and rights over Shares acquired or agreed to be acquired by the Offeror and parties acting in concert with it during the Offer Period;
 - (d) details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror and parties acting in concert with it have borrowed or lent, save for any borrowed Shares which have been either on-lent or sold; and
 - (e) the percentages of the relevant classes of issued share capital of the Company, and the percentages of voting rights, represented by these numbers.
- (ii) In computing the total number of Shares represented by acceptances, only valid acceptances that are complete and in good order, and which have been received by the Registrar by no later than 4:00 p.m. on the Closing Date, being the latest time and date for acceptance of the Offer, shall be included.
 - (iii) As required under the Takeovers Code, all announcements in respect of the Offer must be made in accordance with the requirements of the Takeovers Code and the Listing Rules.
 - (iv) As required under the Takeovers Code and the Listing Rules, any announcement in relation to the Offer, in respect of which the Executive and the Stock Exchange have confirmed that they have no further comments, will be published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (www.chankiu.hk).

4. RIGHT OF WITHDRAWAL

Acceptance of the Offer tendered by the Independent Shareholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out below.

If the Offeror is unable to comply with the requirements set out in paragraph headed “3. Announcements” above, the Executive may require pursuant to Rule 19.2 of the Takeovers Code that the Independent Shareholders who have tendered acceptance to the Offer be granted a right of withdrawal on terms that are acceptable to the Executive until the requirement of Rule 19 of the Takeovers Code can be met.

In such case, when the Independent Shareholders withdraw their acceptance(s), the Offeror shall, as soon as possible but in any event no later than (7) seven Business Days thereof, return by ordinary post the Share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) lodged with the Form(s) of Acceptance to the relevant Independent Shareholder(s).

5. SETTLEMENT OF THE OFFER

Provided that the accompanying Form of Acceptance for the Shares, together with the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) are valid, complete and in good order and have been received by the Registrar no later than 4:00 p.m. on the Closing Date, a cheque for the amount due to each of the accepting Independent Shareholders in respect of the Shares tendered under the Offer (less seller's ad valorem stamp duty payable by him/her/it) will be despatched to the accepting Independent Shareholders by ordinary post at his/her/its own risk as soon as possible but in any event no later than seven (7) business days (as defined in the Takeovers Code) after the date of receipt of all relevant documents to render such acceptance complete and valid by the Registrar in accordance with the Takeovers Code.

Settlement of the consideration to which any accepting Independent Shareholder is entitled under the Offer will be paid by the Offeror in full in accordance with the terms of the Offer (save with respect of the payment of seller's ad valorem stamp duty) set out in this Composite Document (including this Appendix I) and the accompanying Form of Acceptance, without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Independent Shareholder.

Cheque(s) not presented for payment within six months from the date of issue of the relevant cheques will not be honoured and be of no further effect, and in such circumstances cheque holders should contact the Offeror for payment.

6. OVERSEAS SHAREHOLDERS

As the Offer to persons not being resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident, Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek professional advice in respect of the Offer. It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consent which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes due from such Overseas Shareholders in respect of such jurisdictions).

The Offeror, Mr. Gan and parties acting in concert with any of them, the Company, Quam Securities, Aurelius Corporate, Merdeka, the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by such person for any taxes as such person may be required to pay.

Any acceptance of the Offer by such Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the applicable local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt.

7. TAXATION ADVICE

The Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, Mr. Gan, parties acting in concert with any of them, the Company, the Vendor, Quam Securities, Aurelius Corporate, Merdeka, the Registrar and (as the case may be) their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

8. GENERAL

- (i) All communications, notices, Form of Acceptance, certificates, transfer receipts and other documents of title and/or of indemnity and/or of any other nature to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk, and none of the Offeror, Mr. Gan, parties acting in concert with any of them, the Company, the Vendor, Quam Securities, Aurelius Corporate, Merdeka, the Registrar and their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Offer accepts any liability for any loss or any other liabilities whatsoever which may arise as a result thereof.
- (ii) Acceptance of the Offer by any person or persons will be deemed to constitute a warranty by such person or persons to the Offeror and Quam Securities that the Shares tendered under the Offer are sold or tendered by such Independent Shareholder(s) free from all encumbrances and together with all rights and benefits attached thereto, including all rights to any dividends or other distribution declared, made or paid on or after the date on which the Offer is made.
- (iii) Acceptance of the Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror that the number of Shares in respect of which it is indicated in the Form of Acceptance is the aggregate number of Shares held by such nominee for such beneficial owners who accept the Offer.
- (iv) The provisions set out in the accompanying Form of Acceptance form part of the terms of the Offer.

- (v) The accidental omission to despatch this Composite Document and/or the accompanying Form of Acceptance or either of them to any person to whom the Offer is made shall not invalidate the Offer in any way.
- (vi) The Offer and all acceptances will be governed by and construed in accordance with the laws of Hong Kong.
- (vii) Due execution of the Form of Acceptance will constitute an irrevocable authority to the Offeror and/or Quam Securities and/or such person or persons as any of them may direct to complete and execute on behalf of the person(s) accepting the Offer, and to do any other act(s) that may be necessary or expedient for the purpose of vesting in the Offeror, or such person or persons as it may direct the Shares in respect of which such person has accepted the Offer.
- (viii) The Offer is made in accordance with the Takeovers Code.
- (ix) References to the Offer in this Composite Document and in the Form of Acceptance shall include any extension and/or revision thereof.
- (x) The English texts of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts, in case of any inconsistency.
- (xi) In making their decision, the Independent Shareholders must rely on their own examination of the Offeror, the Group and the Offer, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein together with the Form of Acceptance, shall not be construed as any legal or business advice on the part of the Offeror, the Company, Quam Securities, Aurelius Corporate, Merdeka, the Registrar and their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Offer. The Independent Shareholders should consult their own professional advisers for professional advice.

9. NOMINEE REGISTRATION

To ensure equality of treatment of all Independent Shareholders, those registered Independent Shareholders who hold the Shares as nominee on behalf of more than one beneficial owner should, as far as practicable, treat the holding of such beneficial owner separately. It is essential for the beneficial owners of the Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offer.

1. SUMMARY OF THE FINANCIAL INFORMATION OF THE GROUP

Set out below is a summary of the audited financial information of the Group for each of the three financial years ended 31 March 2023, 2024 and 2025 as extracted from the Company's annual reports for the years ended 31 March 2023, 2024 and 2025:

	For the year ended 31 March		
	2023	2024	2025
	HK\$'000	HK\$'000	HK\$'000
Revenue	541,648	585,170	530,657
Cost of services	(476,127)	(543,327)	(528,535)
Gross profit	65,521	41,843	2,122
Other income and gain	18,743	102	83
Administrative expenses	(20,605)	(20,733)	(22,519)
Listing expenses	(6,951)	–	–
Impairment losses on trade receivables and contract assets	(439)	(625)	(33,573)
Finance income	1,006	2,287	899
Finance costs	(540)	(114)	(254)
Profit/(Loss) before taxation	56,735	22,760	(53,242)
Income tax expense	(7,407)	(3,691)	(229)
Profit/(loss) and total comprehensive income/ (expense) for the period attributable to owners of the Company	49,328	19,069	(53,471)
Earnings/(loss) per share attributable to owners of the Company:			
Basic and diluted (<i>expressed in HK cents per share</i>)	5.7	1.9	(5.3)

Assets and liabilities

	As at 31 March		
	2023	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current Assets	3,441	4,819	2,724
Current Assets	354,886	379,769	318,336
Non-current Liabilities	(320)	(686)	(201)
Current Liabilities	(51,257)	(58,083)	(48,511)
Net Current Assets	303,629	321,686	269,825
Net Assets	306,750	325,819	272,348

No dividend was paid or proposed by the Company during each of the three years ended 31 March 2023, 2024 and 2025. Hence dividends per Share for each of the year ended 31 March 2023, 2024 and 2025 was inapplicable.

There has been no change in the Group's accounting policies which would result in the figures in its consolidated financial statements for each of the three years ended 31 March 2023, 2024 and 2025, being not comparable to a material extent.

The consolidated financial statements of the Group for the year ended 31 March 2025 were audited by OOP CPA & Co.. The consolidated financial statements of the Group for each of the two years ended 31 March 2023 and 2024 were audited by PricewaterhouseCoopers. The consolidated financial statements of the Group for the years ended 31 March 2023, 2024 and 2025 did not contain any qualified or modified opinion, emphasis of matter or material uncertainty related to going concern.

Save as disclosed above, there were no items of any income or expense which are material in respect of the consolidated financial results of the Company for each of the three years ended 31 March 2023, 2024 and 2025.

Save for the Offer, there have been no other significant events of the Company after 31 March 2025.

2. CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP

The Company is required to set out or refer to in this Composite Document the consolidated statements of profit or loss, the consolidated statement of financial position, consolidated statement of cash flows and any other primary statement as shown in the last published audited accounts, together with the significant accounting policies and the notes to the relevant published audited accounts which are of major relevance to the appreciation of the above financial information.

The audited consolidated financial statements of the Group for the year ended 31 March 2025 (the “**2025 Financial Statements**”) have been set out on pages 120 to 203 of the 2025 annual report of the Company for the year ended 31 March 2025 (the “**2025 Annual Report**”), which was posted on 23 July 2025 on the website of the Stock Exchange (<http://www.hkexnews.hk>), and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0723/2025072300398.pdf>

The audited consolidated financial statements of the Group for the year ended 31 March 2024 (the “**2024 Financial Statements**”) have been set out on pages 120 to 199 of the 2024 annual report of the Company for the year ended 31 March 2024 (the “**2024 Annual Report**”), which was posted on 25 July 2024 on the website of the Stock Exchange (<http://www.hkexnews.hk>), and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0725/2024072500802.pdf>

The audited consolidated financial statements of the Group for the year ended 31 March 2023 (the “**2023 Financial Statements**”) have been set out on pages 117 to 195 of the 2023 annual report of the Company for the year ended 31 March 2023 (the “**2023 Annual Report**”), which was posted on 27 July 2023 on the website of the Stock Exchange (<http://www.hkexnews.hk>), and is accessible via the following hyperlink:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0727/2023072700255.pdf>

The 2025 Financial Statements, 2024 Financial Statements and 2023 Financial Statements (but not any other parts of the 2025 Annual Report, the 2024 Annual Report or the 2023 Annual Report in which they respectively appear) are incorporated by reference into this Composite Document and form part of this Composite Document.

3. INDEBTEDNESS STATEMENT

As at the close of business on 31 August 2025, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Composite Document, the indebtedness of the Group was as follows:

Lease liabilities

The Group recognised lease liabilities in the amount of approximately HK\$0.1 million as at 31 August 2025.

Bank borrowings

As at the close of business on 31 August 2025, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this Composite Document, the Group had total outstanding interest-bearing bank overdraft of approximately HK\$3.4 million, which were guaranteed by corporate guarantee of the Company.

Save as aforesaid and apart from intra-group liabilities and normal trade payables in the ordinary course of business, as at the close of business on 31 August 2025, the Group did not have any outstanding mortgages, charges, debenture, loan capital, loans or other similar indebtedness, liabilities under acceptance (other than normal trade bills) or acceptance credits, debt securities (whether issued and outstanding or authorised or otherwise created but unissued), guarantees, lease liabilities or commitments or material contingent liabilities.

4. MATERIAL CHANGES

As at the Latest Practicable Date, the Directors confirm that there had been no material change in the financial or trading position or outlook of the Group since 31 March 2025 (being the date which the latest published audited consolidated financial statements of the Group were made up) up to and including the Latest Practicable Date.

1. RESPONSIBILITY STATEMENT

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this Composite Document (other than those relating to the Vendor and the Group) and confirms, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this Composite Document (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statements in this Composite Document misleading.

2. DISCLOSURE OF INTERESTS AND SECURITIES OF THE COMPANY

As at the Latest Practicable Date, the Offeror and parties acting in concert with it hold 728,880,000 Shares, representing approximately 72.89% of the total issued share capital of the Company.

Save for the above, the Offeror, Mr. Gan and parties acting in concert with any of them did not have any other interest in any Shares, warrants, options, derivatives or other securities carrying conversion of subscription rights into Shares.

As at the Latest Practicable Date, save for the 728,880,000 Shares, being the Sale Shares, none of the Offeror, Mr. Gan and parties acting in concert with any of them had any interest in the relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company.

3. DEALING IN SECURITIES OF THE COMPANY

The Offeror confirms that, as at the Latest Practicable Date:

- (i) none of the Offeror, Mr. Gan and/or parties acting in concert with any of them (including the Vendor) has received any irrevocable commitment to accept or reject the Offer or any irrevocable undertaking from any Shareholders not to sell or transfer (or cause the same to be done) or otherwise dispose of (or permit any such action to occur in respect of) any interest in any Shares held by he/she/it/them;
- (ii) save for the Sales Shares, none of the Offeror, Mr. Gan and/or parties acting in concert with any of them (including the Vendor) holds, has control or has direction over any voting rights or rights over Shares, convertible securities, warrants, options, derivatives or other securities that are convertible or exchangeable into Shares or other types of equity interest in the Company;
- (iii) save for the Sale and Purchase Agreement, neither the Offeror, Mr. Gan, and/or parties acting in concert with any of them (including the Vendor) had dealt for value in any Shares or any options, warrants, derivatives or securities convertible into Shares or other derivatives in respect of securities in the Company during the Relevant Period and up to the Latest Practicable Date;
- (iv) there is no outstanding derivative, and no agreement or arrangement in relation to such derivative, in respect of the securities in the Company which has been entered into by the Offeror, Mr. Gan and/or parties acting in concert with any of them (including the Vendor);

- (v) there is no other agreement, arrangement or understanding that any securities acquired in pursuance of the Offer or the Sale Shares would be transferred, charged or pledged to any other persons;
- (vi) save for the Sale and Purchase Agreement, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offer;
- (vii) there is no agreement or arrangement to which the Offeror, Mr. Gan and/or parties acting in concert with any of them is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a precondition or a condition to the Offer;
- (viii) neither the Offeror, Mr. Gan and/or parties acting in concert with any of them (including the Vendor) has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (ix) other than the Consideration paid by the Offeror to the Vendor under the Sale and Purchase Agreement and the interest accruing under the Promissory Note, there is no other consideration, compensation or benefits in whatever form paid or to be paid by the Offeror, Mr. Gan or any parties acting in concert with any of them, to the Vendor, its ultimate beneficial owner(s) or any party acting in concert with any of them in connection with the sale and purchase of the Sale Shares under the Sale and Purchase Agreement;
- (x) save for the Sale and Purchase Agreement and the interest accruing under the Promissory Note, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror, Mr. Gan and/or parties acting in concert with any of them (excluding the Vendor) on one hand, and the Vendor, its ultimate beneficial owner(s) and/or parties acting in concert with any of them on the other hand;
- (xi) there is no agreement, arrangement or understanding (including any compensation arrangement) between the Offeror and Mr. Gan or any person acting in concert with any of them (including the Vendor) on one hand, and any Directors, recent Directors, Shareholders or recent Shareholders on the other hand, having any connection with or dependence upon the Offer;
- (xii) no benefit (other than statutory compensation required under the applicable laws) was or would be given to any Directors as compensation for loss of office or otherwise in connection with the Offer; and
- (xiii) save for the Sale and Purchase Agreement, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (i) any Shareholder (including the Vendor, its ultimate beneficial owner(s) and/or parties acting in concert with any of them) on one hand, and (ii)(a) the Offeror, Mr. Gan and/or parties acting in concert with any of them, or (ii)(b) the Company, its subsidiaries or associated companies on the other hand.

4. EXPERTS AND CONSENTS

The followings are the name and the qualifications of the experts whose letter, opinion or advice is contained or referred to in this Composite Document

Name	Qualification
Quam Securities	a licensed corporation to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO
Aurelius Corporate	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

As at the Latest Practicable Date, each of Quam Securities and Aurelius Corporate has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion herein of its letter, opinion or advice and the references to its name, logo and/or its qualifications included herein in the form and context in which they appear.

5. MISCELLANEOUS

As at the Latest Practicable Date,

- (i) The members of the Offeror's concert group are the Offeror, Mr. Gan and the Vendor.
- (ii) The Offeror is a company incorporated in the BVI with limited liability, which is wholly and beneficially owned by Mr. Gan. The registered office of the Offeror is at Portcullis Chambers, 4th Floor Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, British Virgin Islands.
- (iii) The correspondence address of the Offeror is situated at National Road 3, Prey Pring Thbong 1 Village, Sangkat Choam Chao 2, Khan Porsenchey, Phnom Penh, Cambodia. The correspondence address of the Offeror in Hong Kong is situated at Unit A, 12/F, China Overseas Building, 139 Hennessy Road, Wanchai, Hong Kong.
- (iv) The main business address of Quam Securities is 5/F and 24/F (Rooms 2401 and 2412), Wing On Centre, 111 Connaught Road Central, Hong Kong.
- (v) The main business address of Aurelius Corporate is Unit 3203, 32/F, Tower 2, Lippo Centre, 89 Queensway, Hong Kong.
- (vi) The English text of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts, in case of any inconsistency.

6. DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents are published (i) on the website of the SFC (www.sfc.hk) and (ii) on the website of the Company (www.chankiu.hk) from the date of this Composite Document up to and including the Closing Date:

- (a) the memorandum and articles of association of the Offeror;
- (b) the letter from Quam Securities, the text of which is set out in this Composite Document;
- (c) the written consents referred to in the paragraph headed “4. Experts and consents” in this Appendix III; and
- (d) the Sale and Purchase Agreement.

1. RESPONSIBILITY STATEMENT

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than those relating to the Offeror, Mr. Gan and parties acting in concert with any of them (save for the Vendor)), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than those expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statements in this Composite Document misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company of HK\$0.01 each as at the Latest Practicable Date were as follows:

<i>Authorised:</i>	<i>HK\$</i>
10,000,000,000 Shares	100,000,000
<i>Issued:</i>	
1,000,000,000 Shares	10,000,000

As at the Latest Practicable Date, save for 1,000,000,000 Shares in issue, the Company did not have other class of securities, outstanding options, derivatives, warrants or other securities which are convertible or exchangeable into Shares.

All issued Shares rank pari passu in all respects with each other, including, in particular, as to dividends, voting rights and return of capital.

The Company has not issued any Shares since 31 March 2025, the date to which the latest audited financial statements of the Group were made up.

The issued Shares are listed on the Stock Exchange. None of the securities of the Company is listed or dealt in, and no listing or permission to deal in the securities of the Company is being or is proposed to be sought on any other stock exchange.

3. MARKET PRICE

The table below sets out the closing price of the Shares on the Stock Exchange on (1) the last business day of each of the calendar months during the Relevant Period, (2) the Last Trading Day, and (3) the Latest Practicable Date:

Date	Closing price of each Share (HK\$)
31 March 2025	0.495
30 April 2025	0.470
30 May 2025	0.395
30 June 2025	0.325
31 July 2025	0.300
29 August 2025	0.510
22 September 2025 (Last Trading Day)	0.335
30 September 2025	0.335
31 October 2025	0.465
4 November 2025 (Latest Practicable Date)	0.470

During the Relevant Period, the highest and the lowest closing prices of the Shares as quoted on the Stock Exchange were HK\$0.750 per Share on 3 October 2025 and HK\$0.300 per Share on 11 July 2025.

4. DISCLOSURE OF INTERESTS

Directors' and chief executives' interests in the securities of the Company and its associated companies

As at the Latest Practicable Date, save as disclosed below, none of the Directors or the chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules; or (iv) which were required to be disclosed under the Takeovers Code.

Director	Nature of interest	Number of Shares held	Approximate percentage of interest
Dr. Luk Che Chung, JP (Note 1)	Beneficial owner	670,000	0.067%

Note:

1. As at the Latest Practicable Date, Dr. Luk Che Chung, *JP*, who is an independent non-executive Director, was interested in 670,000 Shares, representing approximately 0.067% of the total issued share capital of the Company, which was less than 1% as referred to in Rule 3.13 of the Listing Rules.

Disclosure of interests of substantial Shareholders

As at the Latest Practicable Date, the following persons (not being a Director or chief executive of the Company) had an interest or a short position in the Shares or the underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept under section 336 of the SFO or as otherwise notified to the Company and the Stock Exchange:

Name	Capacity/Nature of interest (<i>Note 1</i>)	Number of Shares held	Approximate Percentage of shareholding
Jumbo Flags Capital Limited (<i>Note 2</i>)	Beneficial owner	728,880,000	72.89%
Mr. Gan (<i>Note 2</i>)	Interest in controlled corporation	728,880,000	72.89%

Notes:

1. All interests stated are long position. This is based on the total Shares in issue as at the Latest Practicable Date, being 1,000,000,000.
2. Jumbo Flags Capital Limited, the Offeror, is wholly owned by Mr. Gan. As such, Mr. Gan is deemed, or taken to be interested in the Shares held by the Offeror by virtue of the SFO.

Save as disclosed herein, as at the Latest Practicable Date, no person had an interest or a short position in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept under section 336 of the SFO or as otherwise notified to the Company and the Stock Exchange.

5. ADDITIONAL DISCLOSURE OF INTERESTS

- (a) As at the Latest Practicable Date, save for Dr. Luk Che Chung, *JP*, who is an independent non-executive Director being interested in 670,000 Shares (representing approximately 0.067% of the total issued share capital of the Company), none of the Directors was interested within the meaning of Part XV of the SFO in the Shares or any warrants, options, convertible securities or derivatives in respect of any Shares.

- (b) As at the Latest Practicable Date, save for Dr. Luk Che Chung, *JP*, who is an independent non-executive Director being interested in 670,000 Shares (representing approximately 0.067% of the total issued share capital of the Company), none of the Directors held any beneficial shareholdings in the Company which would otherwise entitle them to accept or reject the Offer. Dr. Luk Che Chung, *JP* did not intend to accept the Offer in respect of his shareholding in the Company.
- (c) During the Relevant Period and as at the Latest Practicable Date, none of the subsidiaries of the Company, pension funds of the Company or of a subsidiary of the Company, or any person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of “acting in concert” in the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of “associate” under the Takeovers Code (but excluding any exempt principal trader and exempt fund managers), had owned or controlled or dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares.
- (d) During the Offer Period and up to the Latest Practicable Date, save for the Sale and Purchase Agreement, there was no person who had arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code which existed between the Company, or any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) or (4) of the definition of “associate” under the Takeovers Code, and no such person had owned, controlled or dealt for value in any Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares.
- (e) During the Offer Period and up to the Latest Practicable Date, no Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares were managed on a discretionary basis by fund managers (other than exempt fund managers) connected with the Company and no such person had dealt for value in any Shares or any other convertible securities, warrants, options or derivatives in respect of the Shares.
- (f) As at the Latest Practicable Date, none of the Company or the Directors had borrowed or lent any Shares or any convertible securities, warrants, options or derivatives or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in respect of any Shares.
- (g) During the Relevant Period, save for the disposal of the Sale Shares by the Vendor pursuant to the Sale and Purchase Agreement, neither the Company nor any Directors had dealt for value in any Shares, convertible securities, warrants, options, or derivatives in respect of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.
- (h) there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (i)(a) the Offeror, Mr. Gan, the Vendor and/or parties acting in concert with any of them, or (i)(b) the Company, its subsidiaries or associated companies on one hand; and (ii) any Shareholder on the other hand.

6. ARRANGEMENTS AFFECTING AND RELATING TO DIRECTORS

As at the Latest Practicable Date:

- (a) no benefit (other than statutory compensation) was or would be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
- (b) there was no agreement or arrangement between any Director and any other person which was conditional on or dependent upon the outcome of the Offer or otherwise connected with the Offer;
- (c) save for the Sale and Purchase Agreement, there was no material contracts had been entered into by the Offeror in which any Director had a material personal interest; and

7. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and, no litigation or claims of material importance is pending or threatened by or against the Company and any of its subsidiaries.

8. MATERIAL CONTRACTS

None of the members of the Group entered into any contract, not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries, within two years preceding the date of the commencement of the Offer Period and up to and including the Latest Practicable Date and which are material.

9. EXPERT AND CONSENT

The following is the name and qualification of the expert whose letter, opinion or advice is contained or referred to in this Composite Document:

Name	Qualification
Merdeka	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

APPENDIX IV GENERAL INFORMATION RELATING TO THE GROUP

As at the Latest Practicable Date, Merdeka has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion herein of its letter, opinion or advice and the references to its name, logo and/or its qualifications included herein in the form and context in which they appear.

As at the Latest Practicable Date, Merdeka did not have any shareholding, direct or indirect, in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, nor did it has any direct or indirect interest in any assets which had been, since 31 March 2025, being the date of the latest published audited consolidated financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

10. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, save as disclosed below, none of the Directors had any existing or proposed service contract with the Company or any of its subsidiaries or associated companies which (i) (including both continuous and fixed term contracts) had been entered into or amended within 6 months before the date of the commencement of the Offer Period; or (ii) was a continuous contract with a notice period of 12 months or more; or (iii) was a fixed term contract with more than 12 months to run irrespective of the notice period; or (iv) was not determinable by the employer within one year without payment of compensation (other than statutory compensation).

Director	Commencement date	Expiry date	Term of service	Amount of remuneration payable under the service contract	Amount of variable remuneration/fee (e.g. commission on profit) payable under the service contract
Chan Kiu Sum	13 September 2022 (an initial term of 3 years commencing from the commencement date)	12 September 2028	3 years (automatically renewed and extended by 3 years on the expiry of the initial term and on the expiry of every successive period of 3 years thereafter)	HK\$2,760,000 per annum	HK\$779,000 (discretionary bonus)
Chan Wing Ping	Ditto	12 September 2028	Ditto	HK\$846,000 per annum	HK\$330,000 (discretionary bonus)
Chan Chui Ying	5 February 2024 (an initial term of 3 years commencing from the commencement date)	4 February 2027	Ditto	HK\$540,800 per annum	HK\$63,200 (discretionary bonus)

11. MISCELLANEOUS

- (a) The registered office of the Company is situated at 71 Fort Street, PO Box 500, George Town, Grand Cayman KY1-1106, Cayman Islands.
- (b) The principal place of business of the Company in Hong Kong registered under Part 16 of the Companies Ordinance is situated at Unit 909, 9th Floor, Tower 1, Cheung Sha Wan Plaza, 833 Cheung Sha Wan Road Kowloon, Hong Kong.
- (c) The company secretary of the Company is Mr. Yu Tsz Ngo, who is an elected associate of The Chartered Governance Institute and an associate member of The Hong Kong Chartered Governance Institute.
- (d) The Company's principal share registrar and transfer office is Appleby Global Services (Cayman) Limited, situated at 71 Fort Street, PO Box 500, George Town, Grand Cayman KY1-1106, Cayman Islands.
- (e) The branch share registrar and transfer of the Company in Hong Kong is Boardroom Share Registrars (HK) Limited, situated at 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong.
- (f) As at the Latest Practicable Date, the Board comprised Mr. Chan Kiu Sum, Mr. Chan Wing Ping and Ms. Chan Chui Ying as executive Directors, and Dr. Huang Hong, Mr. Yu Chi Wing, Dr. Lo Ki Chiu and Dr. Luk Che Chung, *JP* as independent non-executive Directors.
- (g) The registered office of Merdeka is at Room 1108, 11/F Wing On Centre, 111 Connaught Road, Central, Hong Kong.
- (h) The English text of this Composite Document shall prevail over their respective Chinese text, in case of any inconsistency.

12. DOCUMENTS ON DISPLAY

Copies of the following documents are available on display (i) on the website of the Company (www.chankiu.hk); and (ii) on the website of the SFC (www.sfc.hk), from the date of this Composite Document up to and including the Closing Date:

- (a) the second amended and restated memorandum and articles of association of the Company;
- (b) the 2025 Annual Report, the 2024 Annual Report and the 2023 Annual Report;
- (c) the letter from the Board, the text of which is set out in this Composite Document;

APPENDIX IV GENERAL INFORMATION RELATING TO THE GROUP

- (d) the letter from the Independent Board Committee, the text of which is set out in this Composite Document;
- (e) the letter of advice from Independent Financial Adviser, the text of which is set out in this Composite Document;
- (f) the written consents referred to under the paragraph headed “9. Expert and Consent” in this Appendix;
- (g) the service contracts referred to in the paragraph headed “10. Directors’ Service Contracts” in this Appendix; and
- (h) this Composite Document and the accompanying Form of Acceptance.